

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

004

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL  
WELL ☐

GAS  
WELL ☒

OTHER

SINGLE  
ZONE ☒

MULTIPLE  
ZONE ☐

2. NAME OF OPERATOR

Lone Mountain Production Company

3. ADDRESS OF OPERATOR

P. O. Box 80965 Billings, MT 59108-0965

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface

1384' FSL 2165' FEL Section 12 - T17S - R25E

4355991Y 39.33947

At proposed prod. zone

same

664075X -109.09417

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

20 miles Northwest of Mack, Colorado

16. DISTANCE FROM PROPOSED\*

LOCATION TO NEAREST  
PROPERTY OR LEASE LINE, FT.  
(Also to nearest drig. unit line, if any) 2745' from unit  
boundary

18. NO. OF ACRES IN LEASE

2080

17. NO. OF ACRES ASSIGNED  
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION\*

TO NEAREST WELL, DRILLING, COMPLETED,  
OR APPLIED FOR, ON THIS LEASE, FT. 1282' from  
Bar X #3

19. PROPOSED DEPTH

3700'

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5273 GL

22. APPROX. DATE WORK WILL START\*

May 1, 2003

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	200sx'G'+2% CaCl to surface
7 7/8"	4 1/2"	11.6#	3700'	225sx 10-2"thixotropic 1.41ft/sk

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE Petroleum Engineer

DATE 4/2/03

(This space for Federal or State office use)

PERMIT NO.

43-019-31371

APPROVAL DATE

APPROVED BY

TITLE

DATE

CONDITIONS OF APPROVAL, IF ANY:

\*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

APR 10 2003

DIV. OF OIL, GAS & MINING

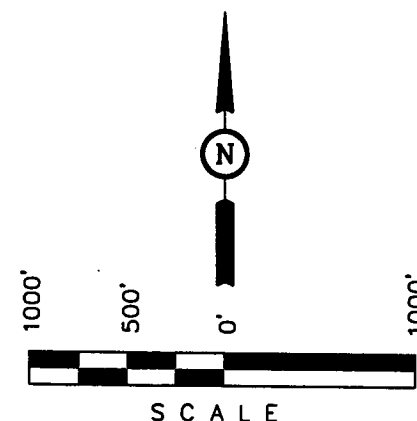
**T17S, R25E, S.L.B.&M.**

# **LONE MOUNTAIN PRODUCTION**

Well location, BAR-X UNIT #25, located as shown in the NW 1/4 SE 1/4 of Section 12, T17S, R25E, S.L.B.&M. Grand County, Utah.

## **BASIS OF ELEVATION**

SPOT ELEVATION AT A HILL TOP IN THE NE 1/4 OF SECTION 12, T17S, R25E, S.L.B.&M. TAKEN FROM THE BAR X WASH QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5287 FEET.



## **CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Robert H. Hays*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

## **UINTAH ENGINEERING & LAND SURVEYING**

85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 2-18-03	DATE DRAWN: 2-19-03
PARTY G.O. R.D. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE LONE MOUNTAIN PRODUCTION	

S89°58'W - 79.98 (G.L.O.)

NORTH - 40.00 (G.L.O.)

N00°00'28"W - 2636.31' (Meas.)

1924 Brass Cap,  
0.5' High, Old  
Loth

N89°59'21"E - 2636.95' (Meas.)

S89°58'W - 39.99 (G.L.O.)

## **BASIS OF BEARINGS**

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)

LATITUDE = 39°20'22.04" (39.339456)

LONGITUDE = 109°05'49.08" (109.096967)

12

**BAR-X UNIT #25**

Elev. Ungraded Ground = 5274'

2165'

1384'

1924 Brass Cap,  
0.7' High, Small  
Pile of Stones

1924 Brass Cap,  
0.7' High, Pile  
of Stones

N00°01'W - 80.00 (G.L.O.)

## **LEGEND:**

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

Application for Permit to Drill  
 Bar X Unit No. 25  
 NWSE Section 12, T17S-R25E  
 Grand County, Utah

---

1. Surface formation is the Mancos Shale
2. Anticipated Geologic Markers: Mancos shale at surface, Dakota Silt at 2835', Dakota at 2935', Morrison at 3055' and Entrada at 3560'. Total Depth at 3700'. All depths true vertical depth.
3. Gas is anticipated in the Entrada. Possible gas shows in the Dakota and Morrison. No water sands are expected.
4. Proposed casing program:
 

<u>Hole size</u>	<u>Casing size</u>	<u>Depth</u>	<u>Cement</u>
12.25"	8-5/8" 24 lb K55 STC	<del>300</del> feet	cemented to surface 200 sk 'G' + 2% Caf
7.875"	4-1/2" 11.6 lb K55 STC	3700 feet	225 sacks 10-2 thixo
5. Pressure Control equipment: See attached Well Control Plan and schematic of contractor's BOP stack. BOP's will be tested prior to drilling out from surface casing and checked daily.
6. Air or mist drilling will be used to drill the 12-1/4" surface hole and 8-5/8" casing will be set and cemented to surface with a rat hole rig. Then the drilling rig will be moved in to mud drill out under the surface casing. The mud will be water based low solids and non-dispersed.
7. Auxiliary Equipment: See Well Control Plan.
8. The electric logging program will consist of a DIL log from TD to the base of the surface casing and GR-CNL-FDC log from TD to 200' above the Dakota silt. No cores or drill stem tests are planned.
9. No abnormal pressures or temperatures are anticipated. No poisonous gas is anticipated.
10. Anticipated spud date is April 25, 2003. Completion operations should commence within 30 days of drilling rig release.
11. Survey plats are attached.
12. The gas is dedicated to the Crescendo gas plant in Badger wash at this time.

13. Lone Mountain Production Co.'s Statewide Bond is UT0719.


14. The completion program will be designed after the logs have been evaluated.

## WELL CONTROL PLAN

1. Surface casing: 8-5/8", 24.0#/ft, STC, J55 set at 250 feet and cemented back to surface with 180 sacks of Class G + 2% CaCl<sub>2</sub> + ¼ #/sack cello flake. (Yield is 1.18 cu ft/sk). Primary cement job will use 50% excess over guage hole. Top off jobs will be pumped if necessary.
2. Casing head Flange: 8-5/8" by 4-1/2" 600 series casing head with two 2" 2000 psi outlets.
3. Blow out preventer: The drilling rig is equipped with a 10", 3000 psi double gate hydraulic BOP (or equivalent) with drill pipe rams and blind rams to meet requirements for a 2000 psi stack as indicated in On Shore Order No. 2. All fill, kill, and choke lines will be a minimum of 2", 2000 psi WP. A rotating head will be used while air or mist drilling. Pipe rams and Hydril will be function tested daily and blind rams on each trip when out of the hole with drill string. BOP's will be tested to 2000 psi but not more than 70% of the casing burst pressure prior to drilling the surface casing shoe joint.
5. Anticipated bottom hole pressure gradient is less than 0.25 psi/ft. No abnormal temperatures or hydrogen sulfide gas are anticipated.

Lone Mountain Production Company

By: \_\_\_\_\_

  
Joe Dyk, Petroleum Engineer

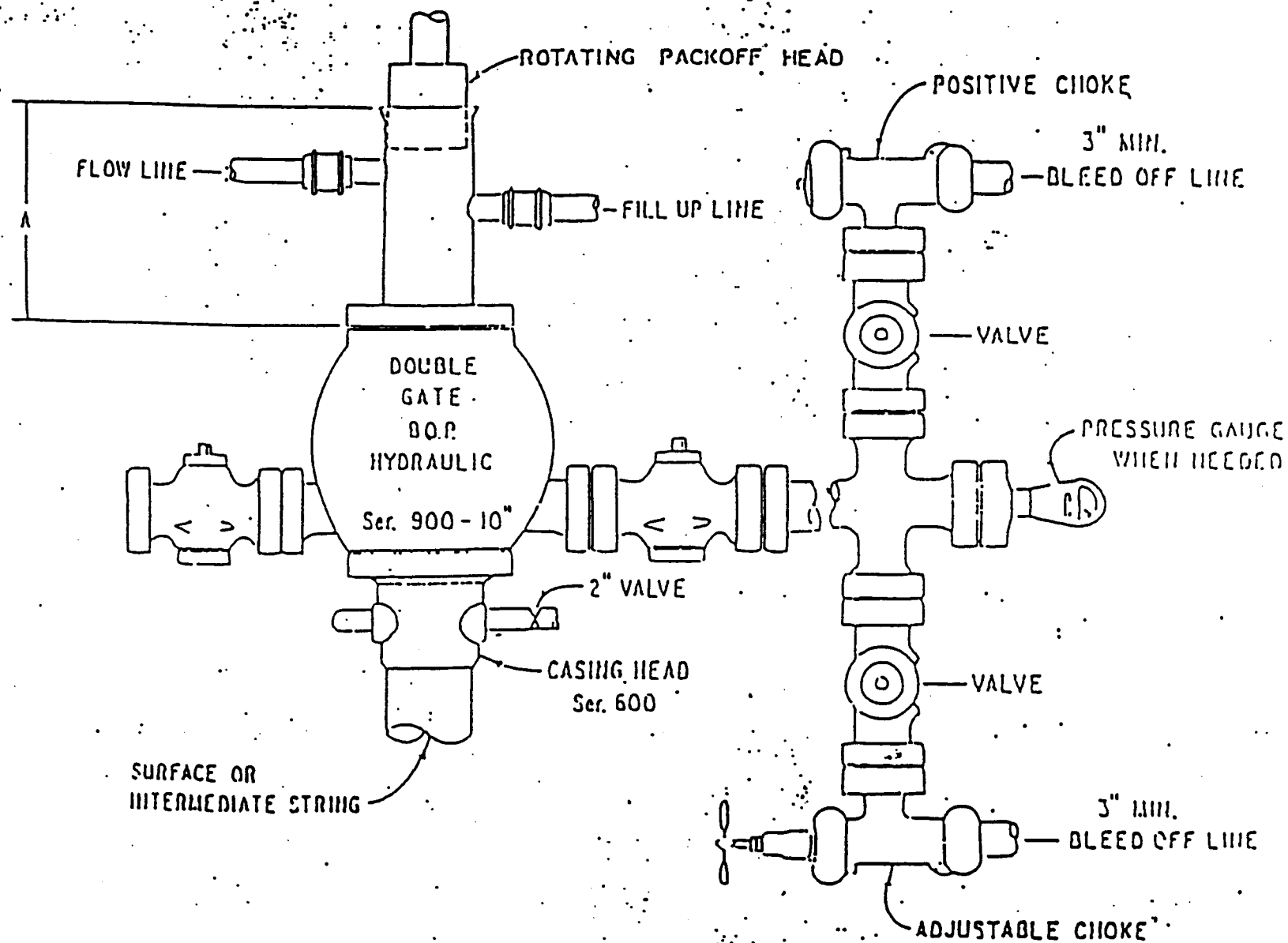


EXHIBIT I  
 BLOWOUT PREVENTER DIAGRAM

## SURFACE USE PLAN

Lone Mountain Production Company  
Bar X Unit No. 25  
NWSE Sec. 12, T17S-R25E  
Grand County, Utah

### 1. EXISTING ROADS

This proposed well is located 20 miles northwest of Mack, Colorado. Proceed west on Highway 6&50 9.2 miles past the Mack post office to 2 road. Turn right and go northeast 4.8 miles to the state line fence. Turn right and go north 3.1 miles. Turn left and go west 2.6 miles to the Bar X Unit No. 25.

### 2. NEW ROADS

The new road is 200 feet long and has 1 low water crossing.

### 3. LOCATION OF EXISTING WELLS

There are 5 wells within a one-mile radius. There are 2 dry holes within a one-mile radius.

### 4. LOCATION OF PRODUCTION FACILITIES

Upon completion of the well as a producing gas well, sufficient facilities to handle gas production will be installed. This includes a heated separator, a dehydrator and a meter run. An 8' diameter culvert buried 8' in the ground will be used as a water pit. A submittal in accordance with Onshore Order #7 will be completed at that time. All facilities will be painted Pinyon Green to blend in with the natural surroundings.

### 5. LOCATION AND TYPE OF WATER SUPPLY

Water will be hauled from the Ute water tap located in Mack, Colorado.

### 6. SOURCE OF CONSTRUCTION MATERIALS

No construction materials will be used other than native materials. Only upon completion will outside material be brought in if deemed necessary for production operations.

### 7. METHODS FOR HANDLING WASTE MATERIALS

Cuttings will be buried in the reserve pit at cleanup. Garbage and other waste material will be contained in a trash cage, which will be dumped at an approved sanitary land fill. Human waste will be contained in chemically treated portable toilets.

Drilling fluids will be contained in the reserve pit and left to dry out before reclamation of the pit. Flow back from completion operations will also be contained in the reserve pit. Oil will not be put in the reserve pit.

If the well is productive, produced water will be disposed on site for 30 days or 90 days with the permission of the State Petroleum Engineer. After that time, application will be made for the approval of a permanent disposal method in compliance with the rules and regulations of the State of Utah and Onshore Order No. 7.

## 8. ANCILLARY FACILITIES

A surface 4" steel pipeline will use the existing pipeline corridor in the Bar-X unit to move the gas from this well to the east boundary of the Bar-X unit. Length of this line would be approximately 23000 feet.

## 9. WELLSITE LAYOUT

See plat #2 - Pit and pad layout

See plat #3 - Cross sections of pit and pad

This location will be constructed large enough to accommodate the drilling rig and associated equipment with allowance made for future completion and production equipment.

No topsoil stripping will be done.

The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished.

All construction activities will be confined to the minimum area necessary. The exterior boundaries of the construction area will clearly marked prior to any surface disturbing activities or vegetation removal.

## 10. PLANS FOR RECLAMATION OF THE SURFACE

A biodegradable mulch may be required if soil erosion or vegetation establishment is determined to be a problem by the authorized officer on the access or location reclamation.

All disturbed areas will be seeded with the approved seed mixture. Seed tags will be submitted to the area manager within 30 days of seeding.

Seed bed will be prepared by contour cultivating 4 - 6" deep and drilling seed ½ to 1" deep following the contour. In areas that cannot be drilled, seed will be broadcast at 1.5 times the application rate and then dragged for cover.



Seeding will be completed after September 15, 2003 and prior to October 31, 2003, if feasible, but no later than the fall of 2004.

If the well is a producer:

Lone Mountain will upgrade and maintain access roads as necessary to prevent soil erosion and accommodate year round traffic. Areas unnecessary to production operations will be reshaped, cultivated on the contour, and seeded with the approved seed mixture with a drill ½ to 1" deep. Areas where seed cannot be drilled will be broadcast seeded at 1.5 times the approved application rate and dragged for seed cover. The topsoil will be saved for use during final reclamation unless the site can be re-contoured to blend with the natural topography as required for the final abandonment. Perennial vegetation will be established. Additional work will be required in the case of seeding failures. All permanent facilities will be painted Pinyon green to blend with the natural environment.

If the well is abandoned/dry hole:

Lone Mountain will restore the access road and location to blend with the natural topography. During reclamation of the site, fill material will be pushed into cuts and up over the back slope. No depressions will be left that could trap water or form ponds. The location will be seeded according to the approved seed mixture.

The area will be considered to be satisfactorily reclaimed when:

- a) Soil erosion resulting from the operation has been stabilized.
- b) A vegetative cover at least equal to that present prior to disturbance and a plant species composition at least desirable as that present prior to disturbance has been established. Establishment of seeded species in the approved seed formula will be considered as acceptance.

Additional work will be required until these conditions are satisfied.

## 11. SURFACE OWNERSHIP

All lands involving new construction are federal lands.

## 12. NOTIFICATIONS

Lone Mountain will contact the Grand Resource Area Manager at least 24 hours prior to commencing construction or maintenance of the access road and/or well pad.

Lone Mountain will immediately bring to the attention of the Grand Resource Area Manager any and all antiquities or other objects of historic or prehistoric ruins, artifacts, or fossils discovered as a result of operations under this permit. Lone Mountain will

immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the area manager. Notice to proceed will be based upon the evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a federal agency insofar as practical. When not practical, Lone Mountain will follow the mitigation requirements set forth by the area manager concerning protection, preservation, or disposition of any sites or material discovered. In those situations where the area manager determines that data recovery and/or salvage excavations are necessary, Lone Mountain will bear the cost of such data recovery and/or salvage operations.

The Grand Resource Area Manager will be notified at least 24 hours prior to commencing reclamation work.

### 13. LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

Joel V. Dyk  
Petroleum Engineer  
1360 Highway 6 & 50  
Loma, Colorado 81524  
Office Phone: (970) 858-7546  
Cell Phone: (970) 250-9770

Jim Routson  
Lone Mountain Production Company  
P. O. Box 80965  
Billings, Montana 59108-0965  
Office Phone: (406) 245-5077  
Cell Phone: (406) 855-9485

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lone Mountain and it's contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

4/2/03  
Date

Joel V. Dyk  
Joel V. Dyk, Petroleum Engineer

# LONE MOUNTAIN PRODUCTION

BAR-X UNIT #25  
LOCATED IN GRAND COUNTY, UTAH  
SECTION 12, T17S, R25E, S.L.B.&M.

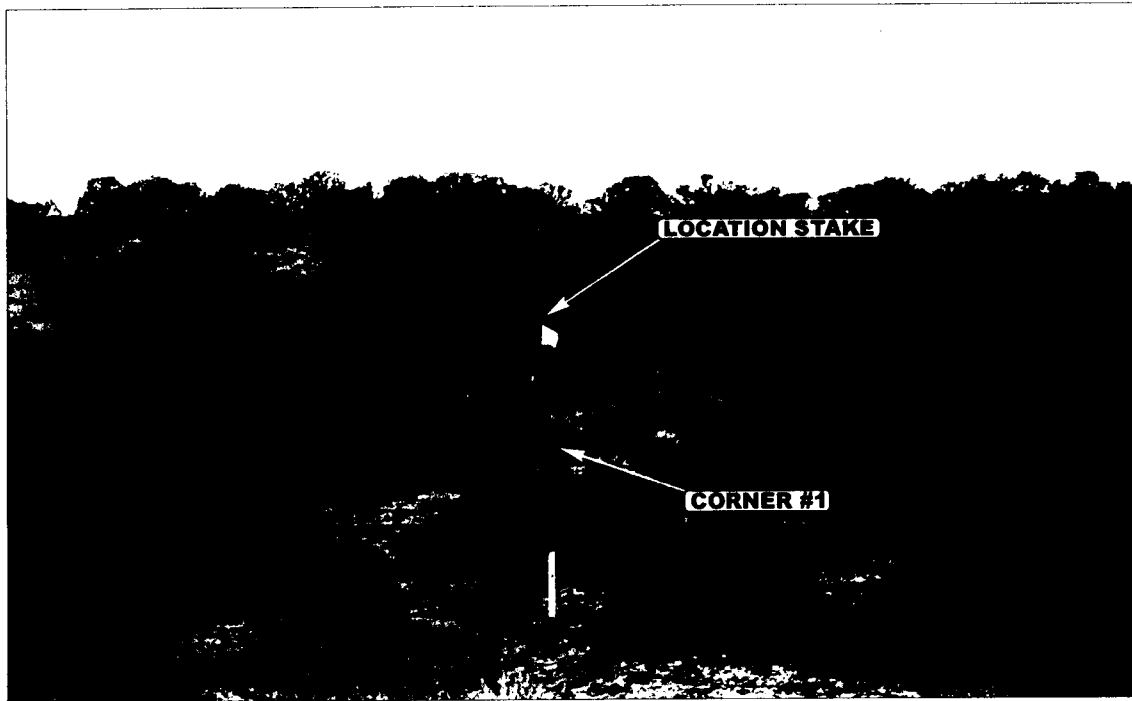


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW OF PROPOSED ACCESS ROAD

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

**UELS** Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

2 20 03  
MONTH DAY YEAR

TAKEN BY: G.O.

DRAWN BY: J.L.G.

REVISED: 00-00-00

PHOTO

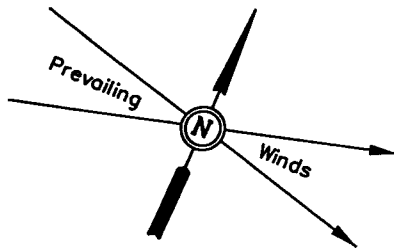
# LONE MOUNTAIN PRODUCTION

## LOCATION LAYOUT FOR

BAR-X UNIT #25

SECTION 12, T17S, R25E, S.L.B.&M.

1384' FSL 2165' FEL



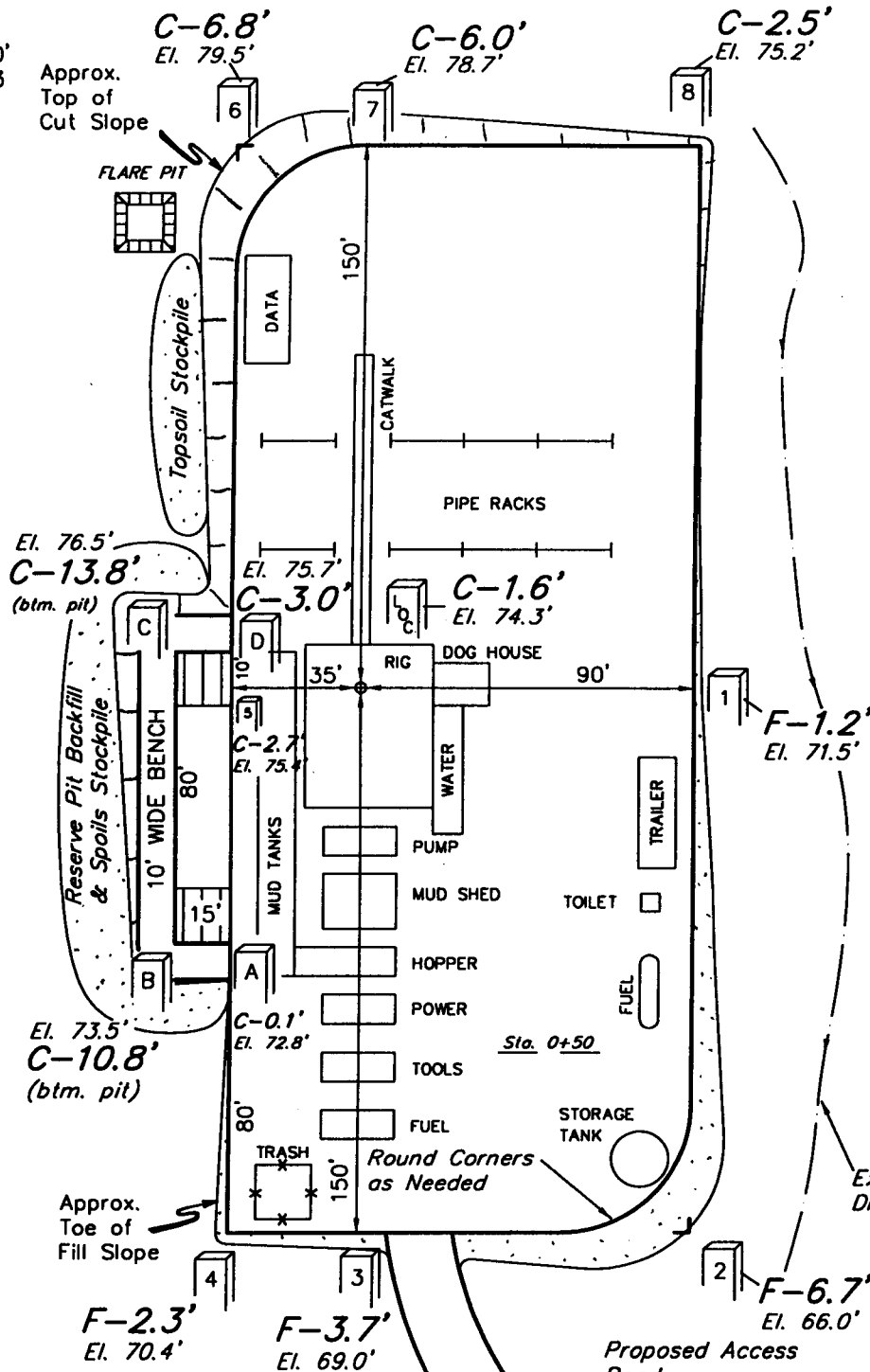
SCALE: 1" = 50'  
DATE: 2-19-03  
Drawn By: C.G.

Approx.  
Top of  
Cut Slope



Sta. 3+00

Total Pit Capacity  
10' Deep W/2'  
of Freeboard  
= 1,330 Bbls.±  
Total Pit Volume  
= 360 Cu. Yds



Elev. Ungraded Ground at Location Stake = 5274.3'

Elev. Graded Ground at Location Stake = 5272.7'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

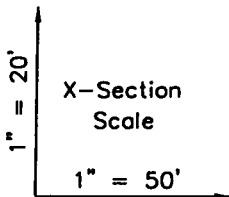
# LONE MOUNTAIN PRODUCTION

## TYPICAL CROSS SECTIONS FOR

BAR-X UNIT #25

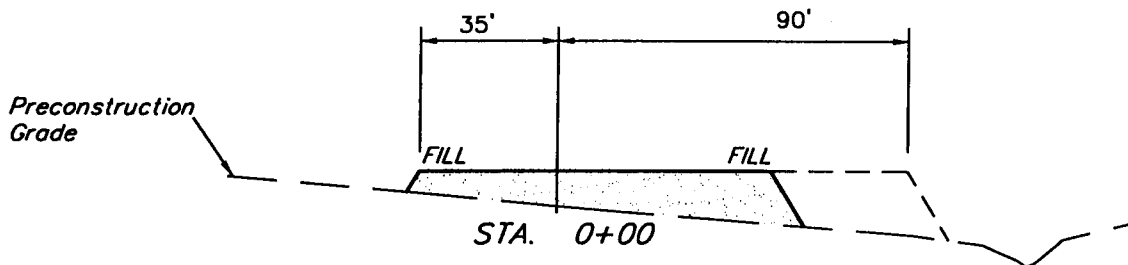
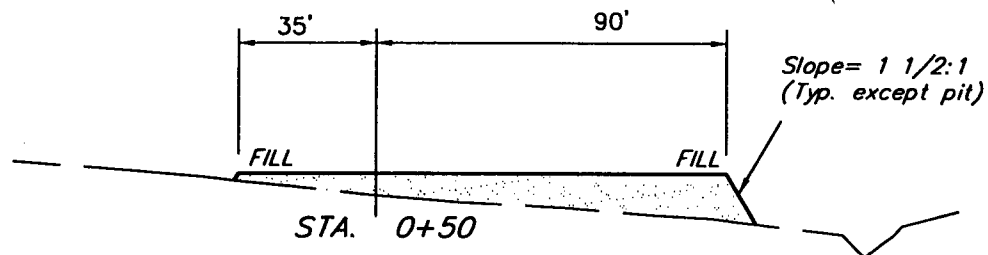
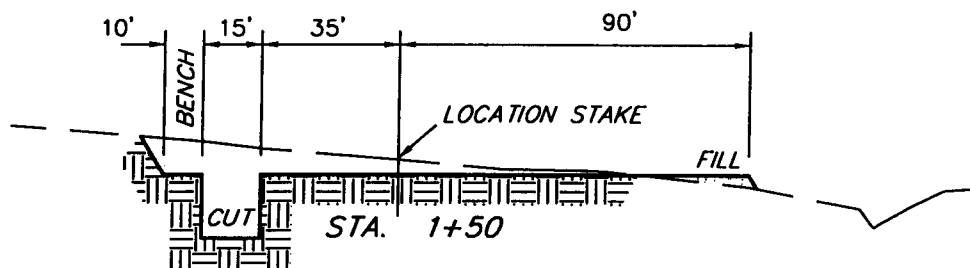
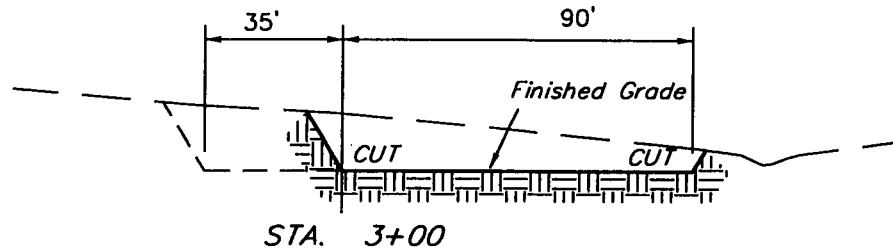
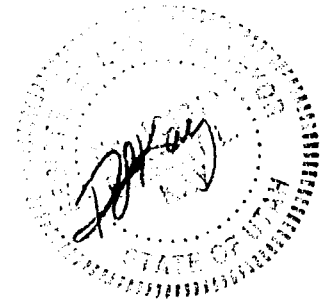
SECTION 12, T17S, R25E, S.L.B.&M.

1384' FSL 2165' FEL



DATE: 2-19-03

Drawn By: C.G.



### APPROXIMATE YARDAGES

#### CUT

(6") Topsoil Stripping = 740 Cu. Yds.

Remaining Location = 2,330 Cu. Yds.

**TOTAL CUT = 3,070 CU.YDS.**

**FILL = 2,040 CU.YDS.**

EXCESS MATERIAL AFTER  
5% COMPACTION

= 920 Cu. Yds.

Topsoil & Pit Backfill  
(1/2 Pit Vol.)

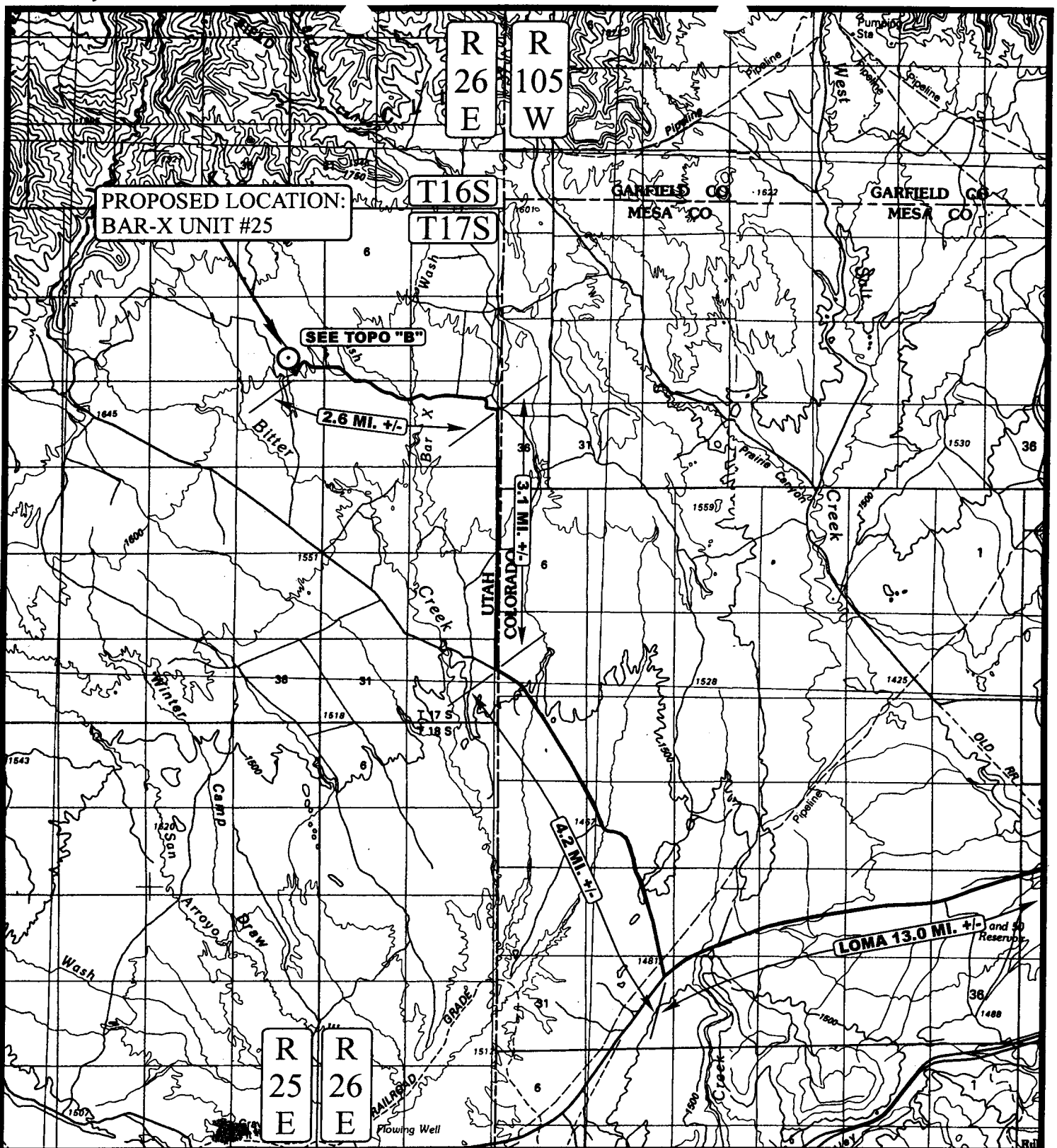
= 920 Cu. Yds.

EXCESS UNBALANCE  
(After Rehabilitation)

= 0 Cu. Yds.

**UINTAH ENGINEERING & LAND SURVEYING**

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



# LEGEND:

PROPOSED LOCATION



## LONE MOUNTAIN PRODUCTION

BAR-X UNIT #25

SECTION 12, T17S, R25E, S.L.B.&M.

1384' FSL 2165' FEL



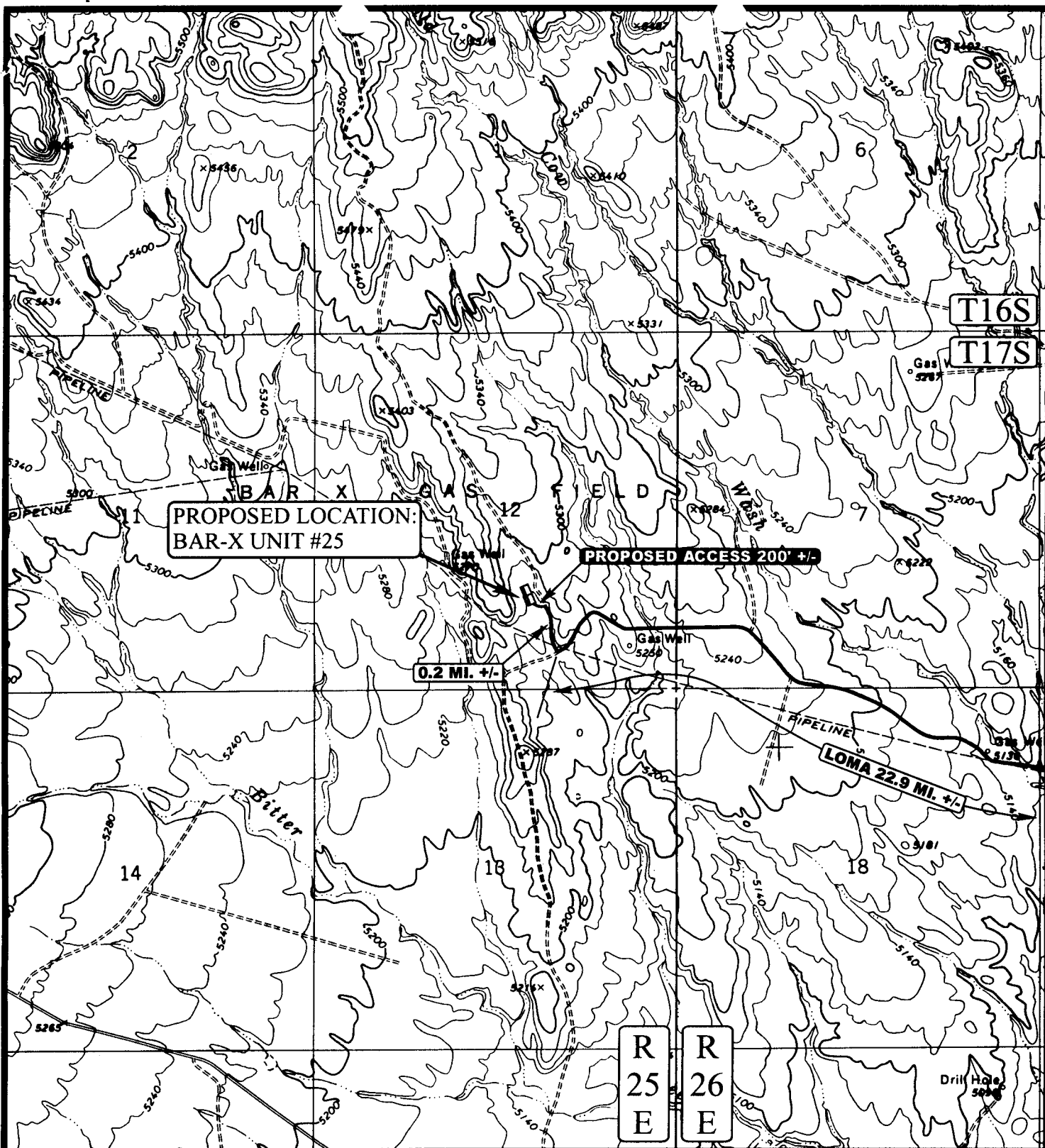
Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
 MAP

2 2003  
 MONTH DAY YEAR



SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00



# LEGEND:

----- PROPOSED ACCESS ROAD  
 \_\_\_\_\_ EXISTING ROAD



## LONE MOUNTAIN PRODUCTION

BAR-X UNIT #25  
 SECTION 12, T17S, R25E, S.L.B.&M.  
 1384' FSL 2165' FEL



Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
 MAP

2 20 03  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

B  
 TOPO

007

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 04/10/2003

API NO. ASSIGNED: 43-019-31371

WELL NAME: <sup>unit</sup> BAR X 25

OPERATOR: LONE MTN PRODUCTION CO ( N7210 )

CONTACT: JOE DYK

PHONE NUMBER: 970-858-7546

## PROPOSED LOCATION:

NWSE 12 170S 250E

SURFACE: 1384 FSL 2165 FEL

BOTTOM: 1384 FSL 2165 FEL

GRAND

BAR X ( 160 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: SL-064806

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: ENRD

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.33967

LONGITUDE: 109.09617

## RECEIVED AND/OR REVIEWED:

☒ Plat☒ Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. UT0719 )☒ Potash (Y/N)☒ Oil Shale 190-5 (B) or 190-3 or 190-13☒ Water Permit

(No. UTE WATER )

☒ RDCC Review (Y/N)

(Date: )

☒ Fee Surf Agreement (Y/N)

## LOCATION AND SITING:

\_\_\_ R649-2-3.

Unit BAR X ☒

\_\_\_ R649-3-2. General

Siting: 460 From Qtr/Qtr &amp; 920' Between Wells

☒ R649-3-3. **Exception**

\_\_\_ Drilling Unit

Board Cause No: \_\_\_\_\_

Eff Date: \_\_\_\_\_

Siting: \_\_\_\_\_

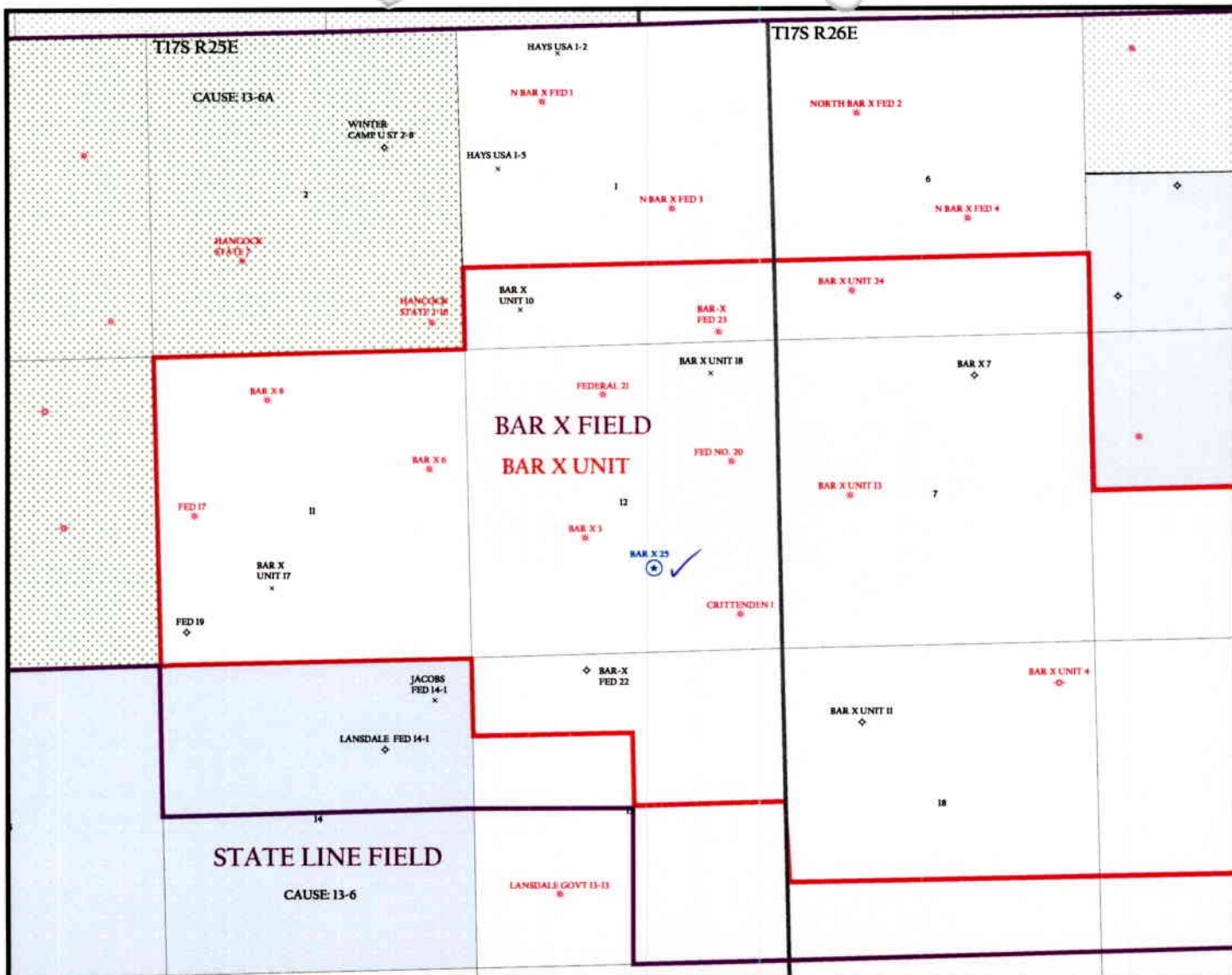
\_\_\_ R649-3-11. Directional Drill

## COMMENTS:

## STIPULATIONS:

1- Federal Approval  
2- Spacing Stip





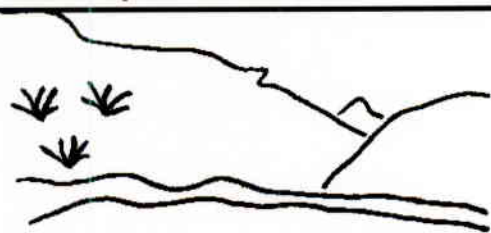
OPERATOR: LONE MOUNTAIN PROD (N7210)

SEC. 12 T17S, R25E

FIELD: BAR X (160)

COUNTY: GRAND

SPACING: R649-3-3 / EXCEPTION LOCATION



Utah Oil Gas and Mining

#### WELLS

- ✓ GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- ⊙ NEW LOCATION
- ◊ PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL

#### UNIT STATUS

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

#### FIELD STATUS

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED
- COUNTY BOUNDARY
- SECTION LINES
- TOWNSHIP LINES



PREPARED BY: DIANA MASON  
DATE: 10-APRIL-2003

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:  
3160  
(UT-922)

April 14, 2003

### Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2003 Plan of Development Bar X, Grand County,  
Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2003 within the Bar X Unit, Grand County, Utah.

Api Number	Well	Location
(Proposed PZ Entrada)		
43-019-30592	Bar X Unit 11 Sec. 18 T17S R26E 1319 FNL 1285 FWL	
43-019-31371	Bar X Unit 25 Sec. 12 T17S R25E 1384 FSL 2165 FEL	

Please be advised that there currently is not a participating area covering the Entrada formation within the Bar X Unit.

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Bar X Unit  
Division of Oil Gas and Mining  
Agr. Sec. Chron  
Fluid Chron

MCoulthard:mc:4-14-3

001

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK <b>DRILL</b> <input checked="" type="checkbox"/> <b>DEEPEN</b> <input type="checkbox"/> <b>PLUG BACK</b> <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. <b>SLC-064806</b>
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR <b>Lone Mountain Production Company</b>		7. UNIT AGREEMENT NAME <b>Bar X</b>
3. ADDRESS OF OPERATOR <b>P. O. Box 80965 Billings, MT 59108-0965</b>		8. FARM OR LEASE NAME
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At surface <b>1384' FSL 2165' FEL Section 12 - T17S - R25E</b> At proposed prod. zone <b>same</b>		9. WELL NO. <b>25</b>
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* <b>20 miles Northwest of Mack, Colorado</b>		10. FIELD AND POOL, OR WILDCAT <b>Bar X</b>
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) <b>2745' from unit boundary</b>	16. NO. OF ACRES IN LEASE <b>2080</b>	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA <b>NWSE Sec. 12, T17S, R25E</b>
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. <b>1282' from Bar X #3</b>	19. PROPOSED DEPTH <b>3700'</b>	12. COUNTY OR PARISH <b>Grand</b>
21. ELEVATIONS (Show whether DF, RT, GR, etc.) <b>5273 GL</b>		13. STATE <b>UT</b>
22. APPROX. DATE WORK WILL START* <b>May 1, 2003</b>		

PROPOSED CASING AND CEMENTING PROGRAM				
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	200sx'G'+2% CaCl to surface
7 7/8"	4 1/2"	11.6#	3700'	225sx 10-2Thixotropic 1.41ft/sk

Federal Approval of this  
Action is Necessary

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 08-04-03  
By: [Signature]

RECEIVED  
MAY 23 2003  
DIV. OF OIL, GAS & MINING

RECEIVED  
MOAB FIELD OFFICE  
2003 APR -4 A 10:35  
DEPT OF THE INTERIOR  
BUREAU OF LAND MGMT

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED [Signature] TITLE Petroleum Engineer DATE 4/2/03  
(This space for Federal or State office use)

PERMIT NO. \_\_\_\_\_ APPROVAL DATE \_\_\_\_\_  
APPROVED BY William Stringer TITLE Assistant Field Manager,  
CONDITIONS OF APPROVAL, IF ANY: Division of Resources DATE MAY 20 2003

CONDITIONS OF APPROVAL ATTACHED

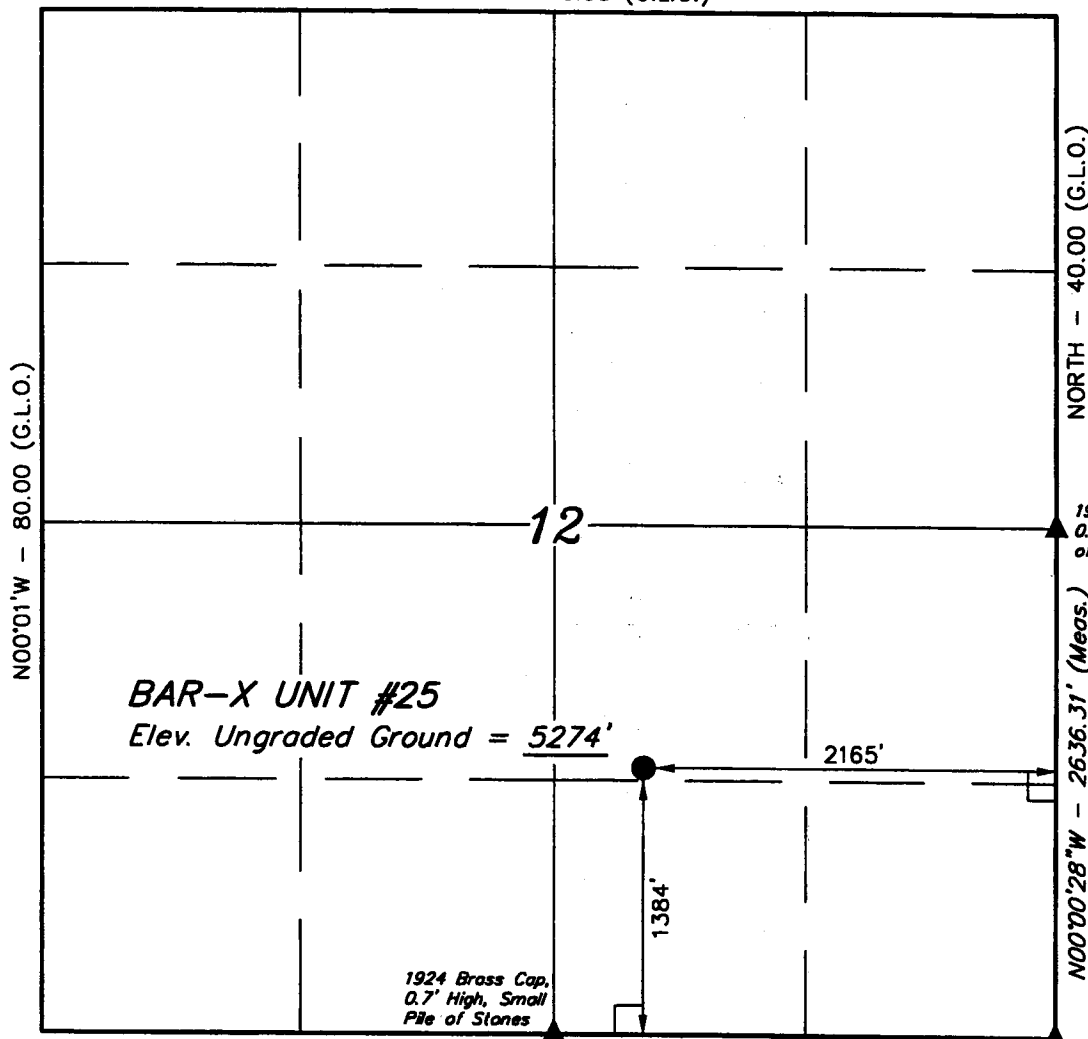
\*See Instructions On Reverse Side

T17S, R25E, S.L.B.&M.

# LONE MOUNTAIN PRODUCTION

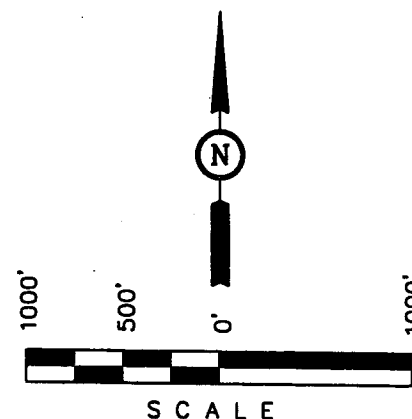
Well location, BAR-X UNIT #25, located as shown in the NW 1/4 SE 1/4 of Section 12, T17S, R25E, S.L.B.&M. Grand County, Utah.

S89°58'W - 79.98 (G.L.O.)



## BASIS OF ELEVATION

SPOT ELEVATION AT A HILL TOP IN THE NE 1/4 OF SECTION 12, T17S, R25E, S.L.B.&M. TAKEN FROM THE BAR X WASH QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5287 FEET.



## CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Robert L. Hays*  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

RECEIVED

## BASIS OF BEARINGS

MAY 23 2003

## LEGEND:

— = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

DIV. OF OIL, GAS & MINING

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)

LATITUDE = 39°20'22.04" (39.339456)

LONGITUDE = 109°05'49.08" (109.096967)

UINTAH ENGINEERING & LAND SURVEYING  
85 SOUTH 200 EAST - VERNAL, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 2-18-03	DATE DRAWN: 2-19-03
PARTY G.O. R.D. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE LONE MOUNTAIN PRODUCTION	

Lone Mountain Production Company  
Bar-X No. 25  
Lease SL-064806  
Bar-X Unit  
NW/SE Section 12, T17S, R25E  
Grand County, Utah

**A COMPLETE COPY OF THIS PERMIT SHALL BE KEPT ON LOCATION from the beginning of site construction through well completion, and shall be available to contractors to ensure compliance.**

**CONDITIONS OF APPROVAL**

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be advised that Lone Mountain Production Company is considered to be the operator of the above well and is responsible under the terms and conditions of the lease for the operations conducted on the leased lands.

Bond coverage for this well is provided by UT0719 (Principal - Lone Mountain Production Company) via surety consent as provided for in 43 CFR 3104.2.

This office will hold the aforementioned operator and bond liable until the provisions of 43 CFR 3106.7-2 continuing responsibility are met.

This permit will be valid for a period of one year from the date of approval. After permit termination, a new application must be filed for approval.

All lease operations will be conducted in full compliance with applicable regulations (43 CFR 3100), Onshore Oil and Gas Orders, lease terms, notices to lessees, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors.

**A. DRILLING PROGRAM**

1. The proposed BOPE is in a 2M configuration, and is adequate for anticipated conditions. Installation, testing and operation of the system shall be in conformance with Onshore Oil and Gas Order No. 2.
2. Concurrent approval from the State of Utah, Division of Oil, Gas & Mining (DOGM) is required before conducting any surface disturbing activities.

**B. SURFACE USE PLAN**

1. Surface disturbance and vehicular travel will be limited to the approved location and access route. Any additional area needed will be approved in advance.
2. All wells, whether drilling, producing, suspended, or abandoned, will be identified in accordance with 43 CFR 3162.6. When the well is abandoned, the abandonment marker must be at least four feet above restored ground level and must be inscribed with the following: operator name, lease number, well name and surveyed description (township, range, section and either quarter-quarter or footages).
3. The installation of any new pipeline systems will require review and approval from BLM. Additional cultural resource inventories and reports may be required prior to authorization of pipeline installation operations.
4. If a gas meter run is constructed, it will be located on lease within 500 feet of the wellhead. The gas flowline will be buried from the wellhead to the meter and will be buried downstream of the meter until it leaves the pad. Meter runs will be housed and/or fenced. The gas meter shall be calibrated prior to first sales and shall be calibrated quarterly thereafter. All gas production and measurement shall comply with the provisions of 43 CFR 3162.7, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
5. In the event the well pad or road is graveled or surfaced, the material will be removed prior to recontouring the surface for rehabilitation.
6. The operator will be responsible for noxious weed control on the disturbed areas within the limits of the well site and new road construction. The operator is responsible for consultation with the authorized officer and/or local authorities for acceptable weed control methods.

### C. REQUIRED APPROVALS, REPORTS AND NOTIFICATIONS

Required verbal notifications are summarized in Table 1, attached.

Building Location- Contact the Moab Field Office, Natural Resource Protection Specialist at least 48-hours prior to commencing construction of location.

Spud- The spud date will be reported to BLM 24-hours prior to spudding. Written notification in the form of a Sundry Notice (Form 3160-5) will be submitted to the Moab Field Office within 24-hours after spudding, regardless of whether spud was made with a dry hole digger or big rig.

Daily Drilling Reports- Daily drilling reports shall detail the progress and status of the well and shall be submitted to the Moab Field Office on a weekly basis.

Monthly Reports of Operations- In accordance with Onshore Oil and Gas Order No. 1, this well shall be reported on Minerals Management Service (MMS) Form 3160, "Monthly Report of Operations," starting the month in which operations commence and continuing each month until the well is physically plugged and abandoned. This report will be filed directly with MMS.

Sundry Notices- There will be no deviation from the proposed drilling and/or workover program without prior approval. "Sundry Notices and Reports on Wells" (Form 3160-5) will be filed with the Moab Field Office for approval of all changes of plans and subsequent operations in accordance with 43 CFR 3162.3-2. Safe drilling and operating practices must be observed.

Drilling Suspensions- Operations authorized by this permit shall not be suspended for more than 30 days without prior approval of the Moab Field Office. All conditions of this approval shall be applicable during any operations conducted with a replacement rig.

Undesirable Events- Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be immediately reported to the BLM in accordance with requirements of NTL-3A.

Cultural Resources- If cultural resources are discovered during construction, work that might disturb the resources is to stop, and the Price Field Office is to be notified.

First Production- Should the well be successfully completed for production, the Moab Field Office will be notified when the well is placed in producing status. Such notification may be made by phone, but must be followed by a sundry notice or letter not later than five business days following the date on which the well is placed into production.

A first production conference will be scheduled as soon as the productivity of the well is apparent. This conference should be coordinated through the Moab Field Office. The Moab Field Office shall be notified prior to the first sale.

Well Completion Report- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted to the Moab Field Office not later than thirty-days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs, core descriptions, core analyses, well test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. When requested, samples (cuttings and/or samples) will be submitted to the Moab Field Office.



**Venting/Flaring of Gas-** Gas produced from this well may not be vented/flared beyond an initial, authorized test period of 30 days or 50 MMcf, whichever first occurs, without the prior, written approval of the Moab Field Office. Should gas be vented or flared without approval beyond the authorized test period, the well may be ordered shut-in until the gas can be captured or approval to continue the venting/flaring as uneconomic is granted. In such case, compensation to the lessor (BLM) shall be required for that portion of the gas that is vented/flared without approval and which is determined to have been avoidably lost.

**Produced Water-** An application for approval of a permanent disposal method and location will be submitted to the Moab Field Office for approval pursuant to Onshore Oil and Gas Order No.7.

**Off-Lease Measurement, Storage, Commingling-** Prior approval must be obtained from the Moab Field Office for off-lease measurement, off-lease storage and/or commingling (either down-hole or at the surface).

**Plugging and Abandonment-** If the well is completed as a dry hole, plugging instructions must be obtained from the Moab Field Office prior to initiating plugging operations.

A "Subsequent Report of Abandonment" (Form 3160-5) will be filed with the Moab Field Office within thirty-days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Upon completion of approved plugging, a regulation marker will be erected in accordance with 43 CFR 3162.6. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the Price Field Office or the appropriate surface managing agency.

**TABLE 1**

**NOTIFICATIONS**

Notify Rich McClure (435-259-2127) or Jack Johnson (435-259-2129) of the BLM Moab Field Office for the following:

2 days prior to commencement of dirt work, construction and reclamation (McClure);

1 day prior to spudding (Johnson);

50 feet prior to reaching the surface casing setting depth (Johnson);

3 hours prior to testing BOPs (Johnson).

If the people at the above numbers cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.

Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact the following:

Eric Jones, Petroleum Engineer

Office: 435-259-2117

Home: 435-259-2214

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL WELL ☐

GAS WELL ☒

OTHER

SINGLE ZONE ☒

MULTIPLE ZONE ☐

2. NAME OF OPERATOR

Lone Mountain Production Company

3. ADDRESS OF OPERATOR

P. O. Box 80965 Billings, MT 59108-0965

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)\*

At surface  
1384' FSL 2165' FEL Section 12 - T17S - R25E

At proposed prod. zone

same

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE\*

20 miles Northwest of Mack, Colorado

15. DISTANCE FROM PROPOSED\* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any) boundary 2745' from unit

16. NO. OF ACRES IN LEASE  
2080

17. NO. OF ACRES ASSIGNED TO THIS WELL  
320

18. DISTANCE FROM PROPOSED LOCATION\* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 1282' from Bar X #3

19. PROPOSED DEPTH  
3700'

20. ROTARY OR CABLE TOOLS  
Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

5273 GL

22. APPROX. DATE WORK WILL START\*

May 1, 2003

23.

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	200sx'G'+2% CaCl to surface
7 7/8"	4 1/2"	11.6#	3700'	225sx 10-2Thixotropic 1.41ft/sk

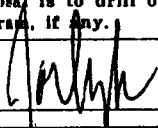
RECEIVED  
MAY 29 2003  
DIV. OF OIL, GAS & MINING

RECEIVED  
MOAB FIELD OFFICE  
2003 APR - 4 A 10:35  
BUREAU OF THE INTERIOR  
BUREAU OF LAND MGMT

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED



TITLE Petroleum Engineer

DATE 4/2/03


(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

Assistant Field Manager,  
Division of Resources

APPROVED BY



TITLE

DATE

5/20/03

CONDITIONS OF APPROVAL, IF ANY:

CONDITIONS OF APPROVAL ATTACHED

\*See Instructions On Reverse Side

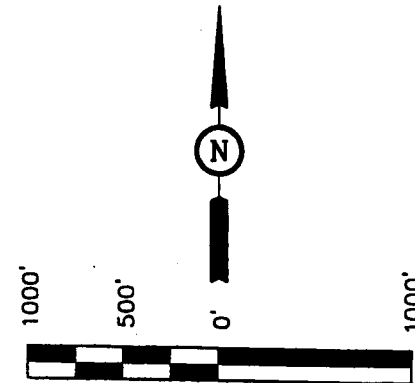
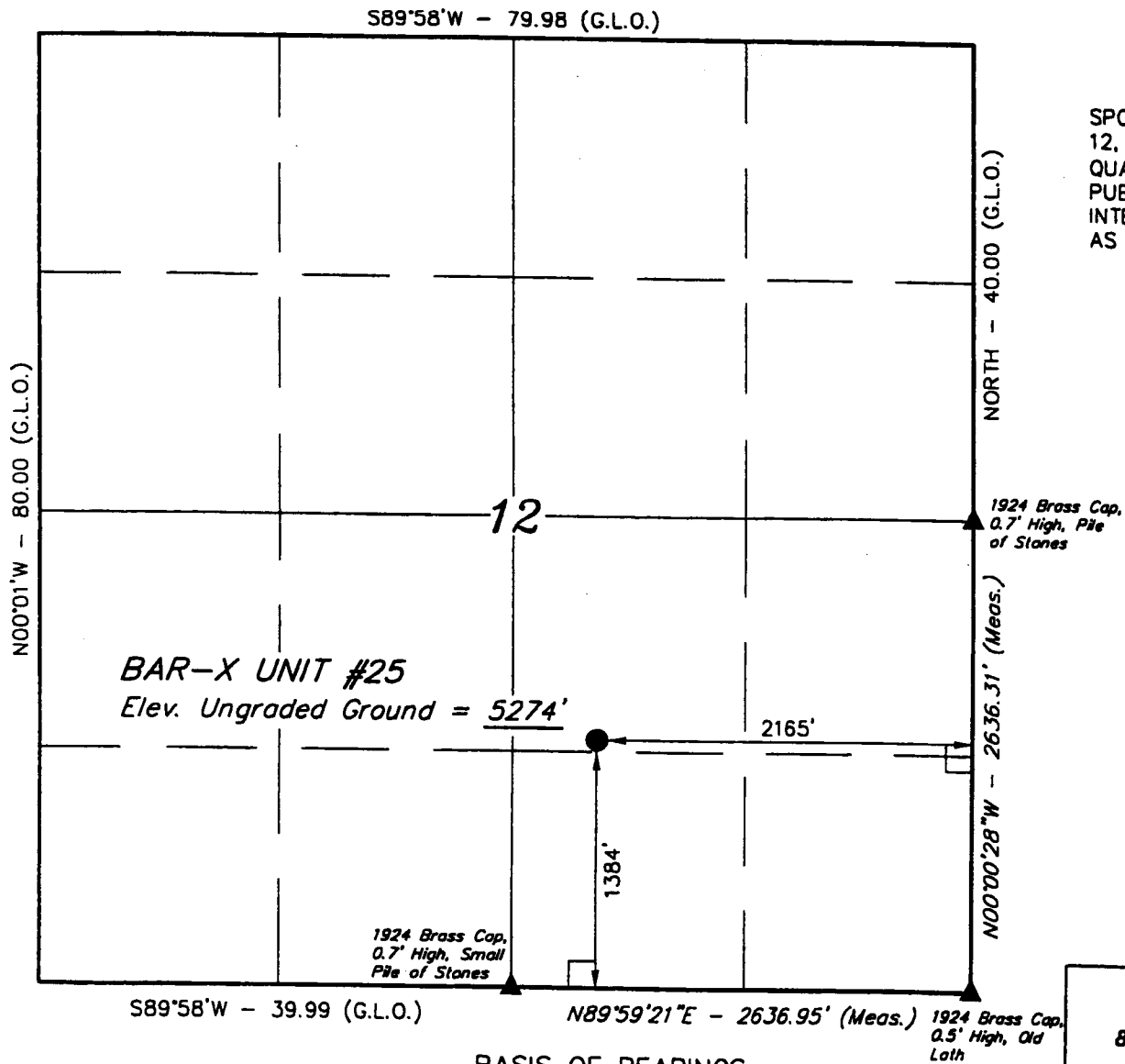
*T17S, R25E, S.L.B.&M.*

**LONE MOUNTAIN PRODUCTION**

Well location, BAR-X UNIT #25, located as shown in the NW 1/4 SE 1/4 of Section 12, T17S, R25E, S.L.B.&M. Grand County, Utah.

## BASIS OF ELEVATION

SPOT ELEVATION AT A HILL TOP IN THE NE 1/4 OF SECTION 12, T17S, R25E, S.L.B.&M. TAKEN FROM THE BAR X WASH QUADRANGLE, UTAH, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5287 FEET.



## CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM  
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY  
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE  
BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

# UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

**SCALE**

$$1'' = 1000'$$

## DATE SURVEYED:

2-18-03

## DATE DRAWN:

2-19-03

**PARTY**

G.O.   R.D.   C.G.

## REFERENCES

G.L.O. PLAT

**WEATHER**

COOL

FILE
------

LONG MOUNTAIN PRODUCTIONS

## BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

(AUTONOMOUS NAD 83)

LATITUDE = 39°20'22.04" (39.339456)

LONGITUDE = 109°05'49.08" (109.096967)

**LEGEND:**

L = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

# LONE MOUNTAIN PRODUCTION

BAR-X UNIT #25  
LOCATED IN GRAND COUNTY, UTAH  
SECTION 12, T17S, R25E, S.L.B.&M.

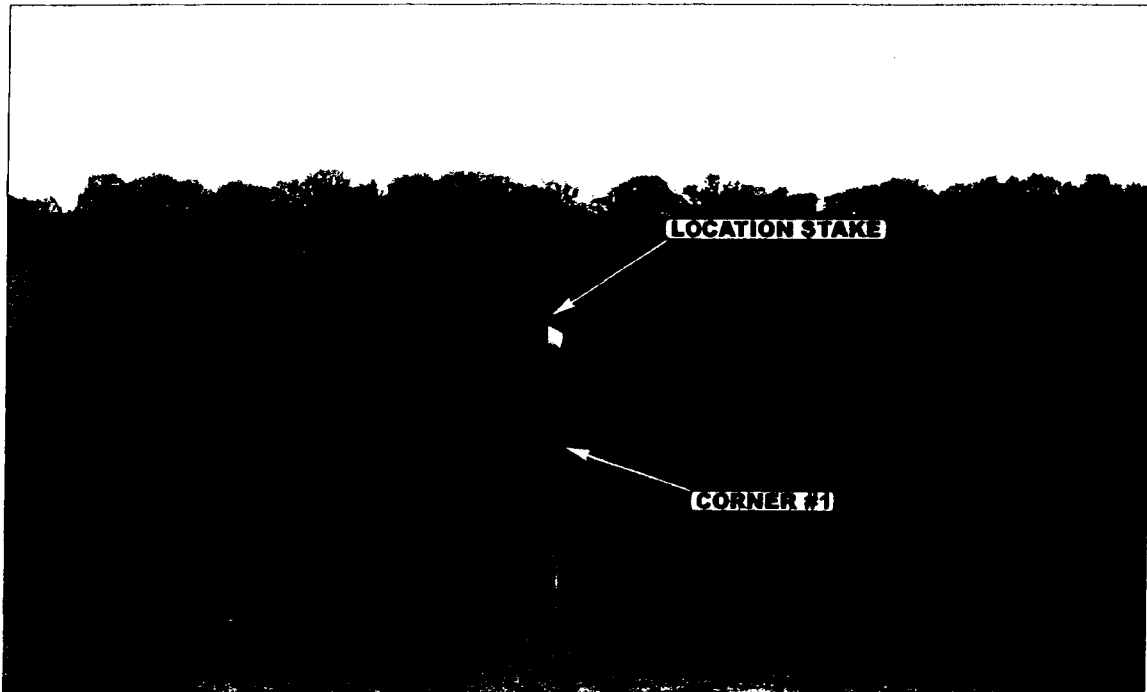


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

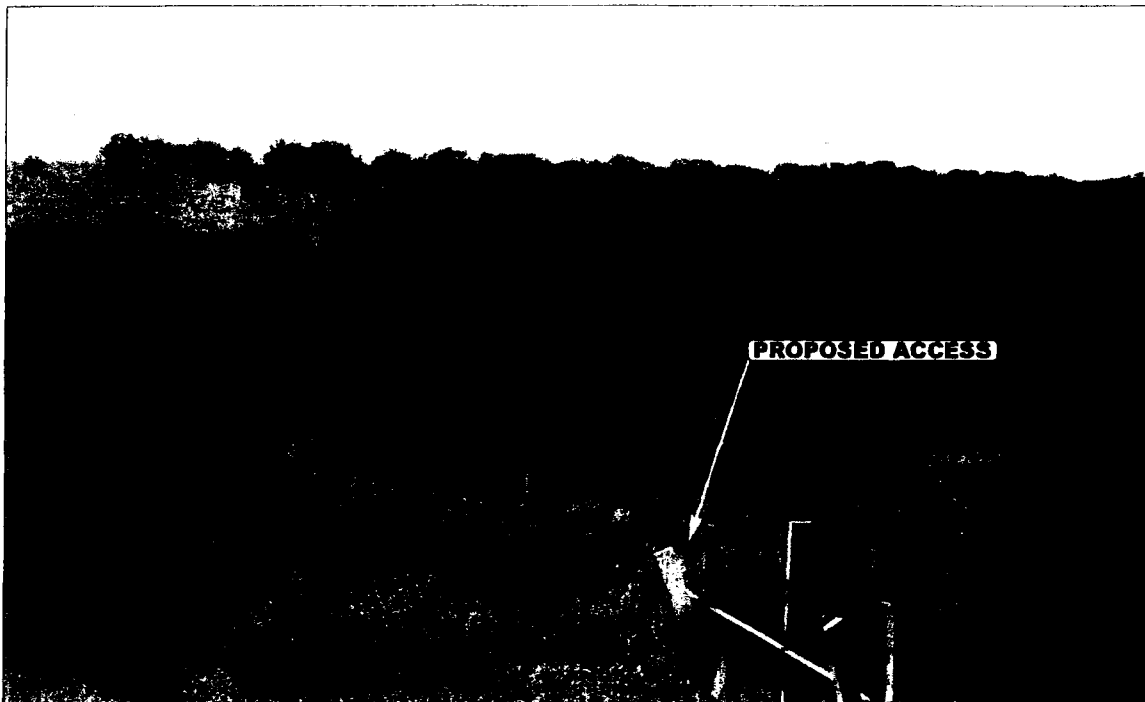


PHOTO: VIEW OF PROPOSED ACCESS ROAD

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

ELS

Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

2 20 03  
MONTH DAY YEAR

PHOTO

TAKEN BY: G.O. DRAWN BY: J.L.G. REVISED: 00-00-00

Lone Mountain Production Company  
Bar-X No. 25  
Lease SL-064806  
Bar-X Unit  
NW/SE Section 12, T17S, R25E  
Grand County, Utah

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**TABLE 1**

**NOTIFICATIONS**

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**1 day prior to spudding (Johnson);**

**50 feet prior to reaching the surface casing setting depth (Johnson);**

**3 hours prior to testing BOPs (Johnson).**

**If the people at the above numbers cannot be reached, notify the Moab Field Office at 435-259-2100. If unsuccessful, contact the person listed below.**

**Well abandonment operations require 24 hour advance notice and prior approval. In the case of newly drilled dry holes, verbal approval can be obtained by calling the Moab Field Office at 435-259-2100. If approval is needed after work hours, you may contact the following:**

**Eric Jones, Petroleum Engineer**

**Office: 435-259-2117**

**Home: 435-259-2214**

Application for Permit to Drill  
Bar X Unit No. 25  
NWSE Section 12, T17S-R25E  
Grand County, Utah

---

1. Surface formation is the Mancos Shale
2. Anticipated Geologic Markers: Mancos shale at surface, Dakota Silt at 2835', Dakota at 2935', Morrison at 3055' and Entrada at 3560'. Total Depth at 3700'. All depths true vertical depth.
3. Gas is anticipated in the Entrada. Possible gas shows in the Dakota and Morrison. No water sands are expected.
4. Proposed casing program:

<u>Hole size</u>	<u>Casing size</u>	<u>Depth</u>	<u>Cement</u>
12.25"	8-5/8" 24 lb K55 STC	<del>300</del> feet	cemented to surface 200 sk' G' + 2%
7.875"	4-1/2" 11.6 lb K55 STC	3700 feet	225 sacks 10-2 thixo
5. Pressure Control equipment: See attached Well Control Plan and schematic of contractor's BOP stack. BOP's will be tested prior to drilling out from surface casing and checked daily.
6. Air or mist drilling will be used to drill the 12-1/4" surface hole and 8-5/8" casing will be set and cemented to surface with a rat hole rig. Then the drilling rig will be moved in to mud drill out under the surface casing. The mud will be water based low solids and non-dispersed.
7. Auxiliary Equipment: See Well Control Plan.
8. The electric logging program will consist of a DIL log from TD to the base of the surface casing and GR-CNL-FDC log from TD to 200' above the Dakota silt. No cores or drill stem tests are planned.
9. No abnormal pressures or temperatures are anticipated. No poisonous gas is anticipated.
10. Anticipated spud date is April 25, 2003. Completion operations should commence within 30 days of drilling rig release.
11. Survey plats are attached.
12. The gas is dedicated to the Crescendo gas plant in Badger wash at this time.

13. Lone Mountain Production Co.'s Statewide Bond is UT0719.

14. The completion program will be designed after the logs have been evaluated.

## **WELL CONTROL PLAN**

1. Surface casing: 8-5/8", 24.0#/ft, STC, J55 set at 250 feet and cemented back to surface with 180 sacks of Class G + 2% CaCl<sub>2</sub> + 1/4 #/sack cello flake. (Yield is 1.18 cu ft/sk). Primary cement job will use 50% excess over guage hole. Top off jobs will be pumped if necessary.
2. Casing head Flange: 8-5/8" by 4-1/2" 600 series casing head with two 2" 2000 psi outlets.
3. Blow out preventer: The drilling rig is equipped with a 10", 3000 psi double gate hydraulic BOP (or equivalent) with drill pipe rams and blind rams to meet requirements for a 2000 psi stack as indicated in On Shore Order No. 2. All fill, kill, and choke lines will be a minimum of 2", 2000 psi WP. A rotating head will be used while air or mist drilling. Pipe rams and Hydril will be function tested daily and blind rams on each trip when out of the hole with drill string. BOP's will be tested to 2000 psi but not more than 70% of the casing burst pressure prior to drilling the surface casing shoe joint.
5. Anticipated bottom hole pressure gradient is less than 0.25 psi/ft. No abnormal temperatures or hydrogen sulfide gas are anticipated.

Lone Mountain Production Company

By: \_\_\_\_\_

  
Joe Dyk, Petroleum Engineer

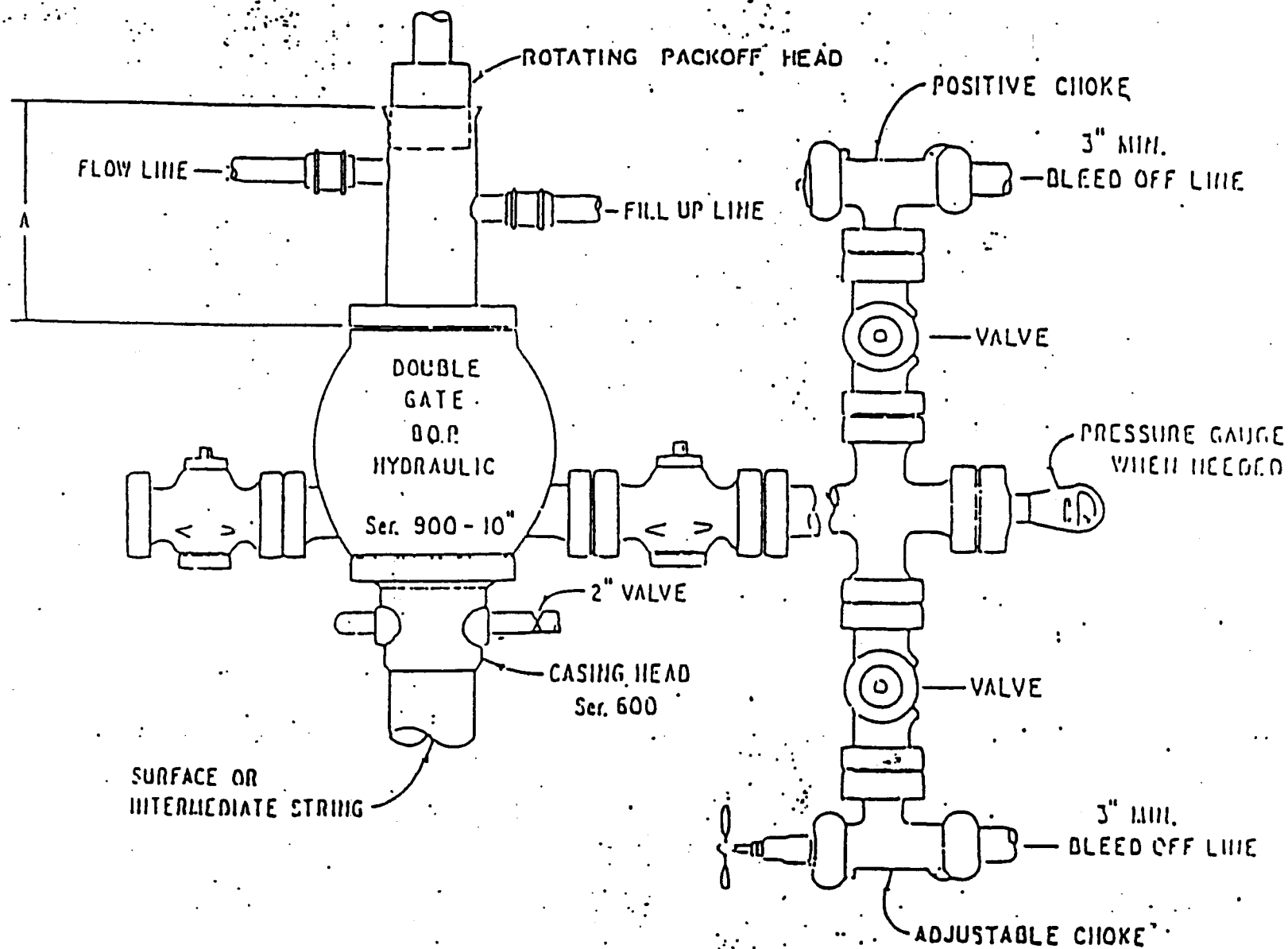


EXHIBIT I  
 BLOWOUT PREVENTER DIAGRAM

## SURFACE USE PLAN

Lone Mountain Production Company  
Bar X Unit No. 25  
NWSE Sec. 12, T17S-R25E  
Grand County, Utah

### 1. EXISTING ROADS

This proposed well is located 20 miles northwest of Mack, Colorado. Proceed west on Highway 6&50 9.2 miles past the Mack post office to 2 road. Turn right and go northeast 4.8 miles to the state line fence. Turn right and go north 3.1 miles. Turn left and go west 2.6 miles to the Bar X Unit No. 25.

### 2. NEW ROADS

The new road is 200 feet long and has 1 low water crossing.

### 3. LOCATION OF EXISTING WELLS

There are 5 wells within a one-mile radius. There are 2 dry holes within a one-mile radius.

### 4. LOCATION OF PRODUCTION FACILITIES

Upon completion of the well as a producing gas well, sufficient facilities to handle gas production will be installed. This includes a heated separator, a dehydrator and a meter run. An 8' diameter culvert buried 8' in the ground will be used as a water pit. A submittal in accordance with Onshore Order #7 will be completed at that time. All facilities will be painted Pinyon Green to blend in with the natural surroundings.

### 5. LOCATION AND TYPE OF WATER SUPPLY

Water will be hauled from the Ute water tap located in Mack, Colorado.

### 6. SOURCE OF CONSTRUCTION MATERIALS

No construction materials will be used other than native materials. Only upon completion will outside material be brought in if deemed necessary for production operations.

### 7. METHODS FOR HANDLING WASTE MATERIALS

Cuttings will be buried in the reserve pit at cleanup. Garbage and other waste material will be contained in a trash cage, which will be dumped at an approved sanitary land fill. Human waste will be contained in chemically treated portable toilets.



Drilling fluids will be contained in the reserve pit and left to dry out before reclamation of the pit. Flow back from completion operations will also be contained in the reserve pit. Oil will not be put in the reserve pit.

If the well is productive, produced water will be disposed on site for 30 days or 90 days with the permission of the State Petroleum Engineer. After that time, application will be made for the approval of a permanent disposal method in compliance with the rules and regulations of the State of Utah and Onshore Order No. 7.

## **8. ANCILLARY FACILITIES**

A surface 4" steel pipeline will use the existing pipeline corridor in the Bar-X unit to move the gas from this well to the east boundary of the Bar-X unit. Length of this line would be approximately 23000 feet.

## **9. WELLSITE LAYOUT**

See plat #2 - Pit and pad layout

See plat #3 - Cross sections of pit and pad

This location will be constructed large enough to accommodate the drilling rig and associated equipment with allowance made for future completion and production equipment.

No topsoil stripping will be done.

The reserve pit will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished.

All construction activities will be confined to the minimum area necessary. The exterior boundaries of the construction area will clearly marked prior to any surface disturbing activities or vegetation removal.

## **10. PLANS FOR RECLAMATION OF THE SURFACE**

A biodegradable mulch may be required if soil erosion or vegetation establishment is determined to be a problem by the authorized officer on the access or location reclamation.

All disturbed areas will be seeded with the approved seed mixture. Seed tags will be submitted to the area manager within 30 days of seeding.

Seed bed will be prepared by contour cultivating 4 - 6" deep and drilling seed  $\frac{1}{2}$  to 1" deep following the contour. In areas that cannot be drilled, seed will be broadcast at 1.5 times the application rate and then dragged for cover.

Seeding will be completed after September 15, 2003 and prior to October 31, 2003, if feasible, but no later than the fall of 2004.

If the well is a producer:

Lone Mountain will upgrade and maintain access roads as necessary to prevent soil erosion and accommodate year round traffic. Areas unnecessary to production operations will be reshaped, cultivated on the contour, and seeded with the approved seed mixture with a drill ½ to 1" deep. Areas where seed cannot be drilled will be broadcast seeded at 1.5 times the approved application rate and dragged for seed cover. The topsoil will be saved for use during final reclamation unless the site can be re-contoured to blend with the natural topography as required for the final abandonment. Perennial vegetation will be established. Additional work will be required in the case of seeding failures. All permanent facilities will be painted Pinyon green to blend with the natural environment.

If the well is abandoned/dry hole:

Lone Mountain will restore the access road and location to blend with the natural topography. During reclamation of the site, fill material will be pushed into cuts and up over the back slope. No depressions will be left that could trap water or form ponds. The location will be seeded according to the approved seed mixture.

The area will be considered to be satisfactorily reclaimed when:

- a) Soil erosion resulting from the operation has been stabilized.
- b) A vegetative cover at least equal to that present prior to disturbance and a plant species composition at least desirable as that present prior to disturbance has been established. Establishment of seeded species in the approved seed formula will be considered as acceptance.

Additional work will be required until these conditions are satisfied.

## 11. SURFACE OWNERSHIP

All lands involving new construction are federal lands.

## 12. NOTIFICATIONS

Lone Mountain will contact the Grand Resource Area Manager at least 24 hours prior to commencing construction or maintenance of the access road and/or well pad.

Lone Mountain will immediately bring to the attention of the Grand Resource Area Manager any and all antiquities or other objects of historic or prehistoric ruins, artifacts, or fossils discovered as a result of operations under this permit. Lone Mountain will

immediately suspend all activities in the area of the object and will leave such discoveries intact until told to proceed by the area manager. Notice to proceed will be based upon the evaluation of the cultural significance of the object. Evaluation will be by a qualified professional selected by the Area Manager from a federal agency insofar as practical. When not practical, Lone Mountain will follow the mitigation requirements set forth by the area manager concerning protection, preservation, or disposition of any sites or material discovered. In those situations where the area manager determines that data recovery and/or salvage excavations are necessary, Lone Mountain will bear the cost of such data recovery and/or salvage operations.

The Grand Resource Area Manager will be notified at least 24 hours prior to commencing reclamation work.

### 13. LESSEE'S OR OPERATOR'S REPRESENTATIVES AND CERTIFICATION

Joel V. Dyk  
Petroleum Engineer  
1360 Highway 6 & 50  
Loma, Colorado 81524  
Office Phone: (970) 858-7546  
Cell Phone: (970) 250-9770

Jim Routson  
Lone Mountain Production Company  
P. O. Box 80965  
Billings, Montana 59108-0965  
Office Phone: (406) 245-5077  
Cell Phone: (406) 855-9485

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with operations proposed herein will be performed by Lone Mountain and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Date

4/2/03

  
Joel V. Dyk, Petroleum Engineer

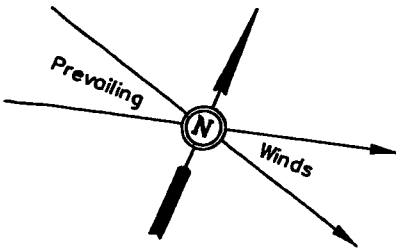
# LONE MOUNTAIN PRODUCTION

## LOCATION LAYOUT FOR

BAR-X UNIT #25

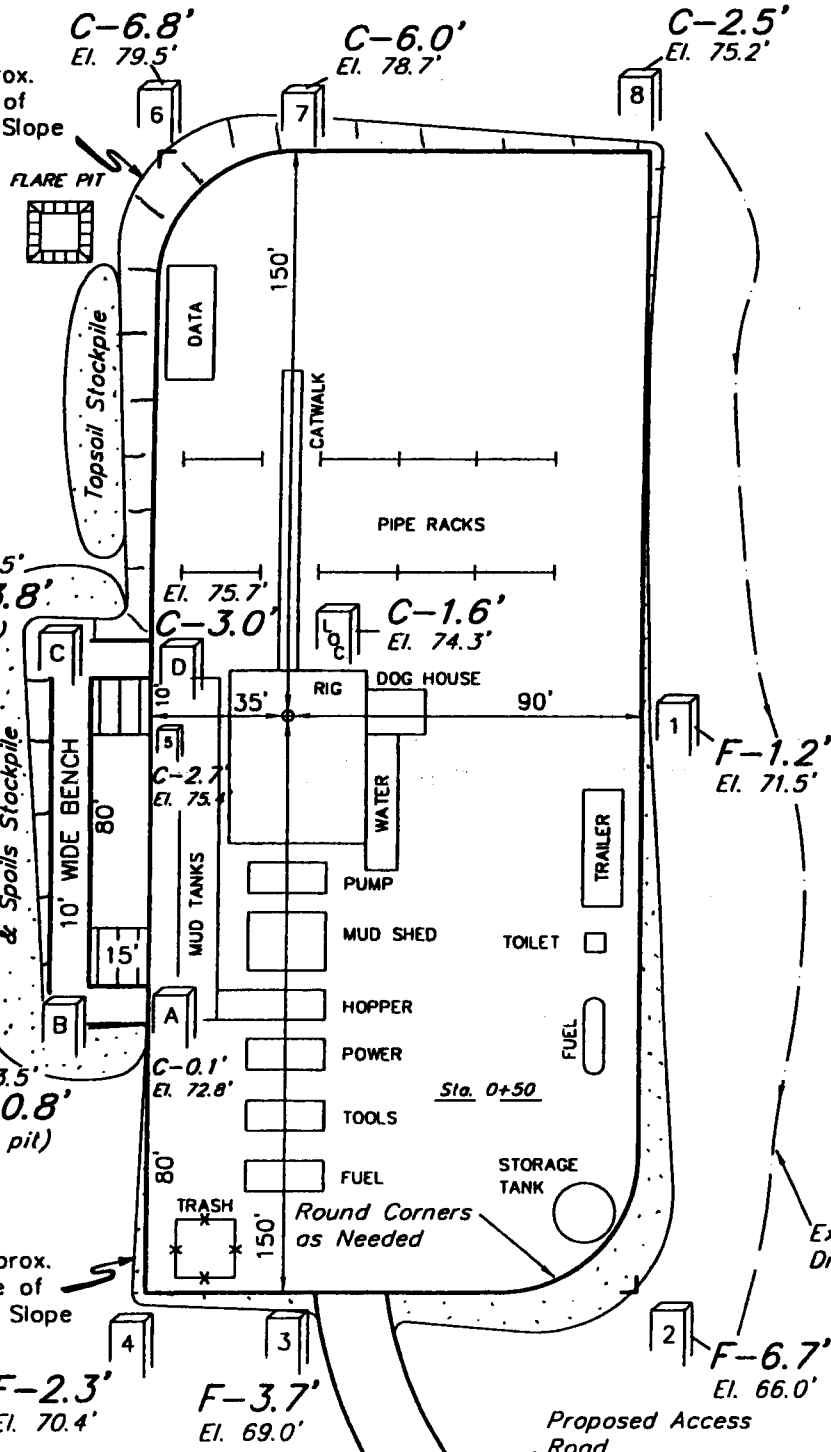
SECTION 12, T17S, R25E, S.L.B.&M.

1384' FSL 2165' FEL



SCALE: 1" = 50'  
DATE: 2-19-03  
Drawn By: C.G.

Approx.  
Top of  
Cut Slope



Total Pit Capacity  
10' Deep W/2'  
of Freeboard  
= 1,330 Bbls.±  
Total Pit Volume  
= 360 Cu. Yds

Elev. Ungraded Ground at Location Stake = 5274.3'

Elev. Graded Ground at Location Stake = 5272.7'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

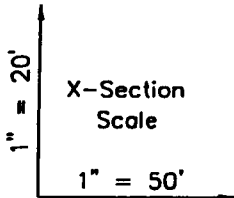
# LONE MOUNTAIN PRODUCTION

## TYPICAL CROSS SECTIONS FOR

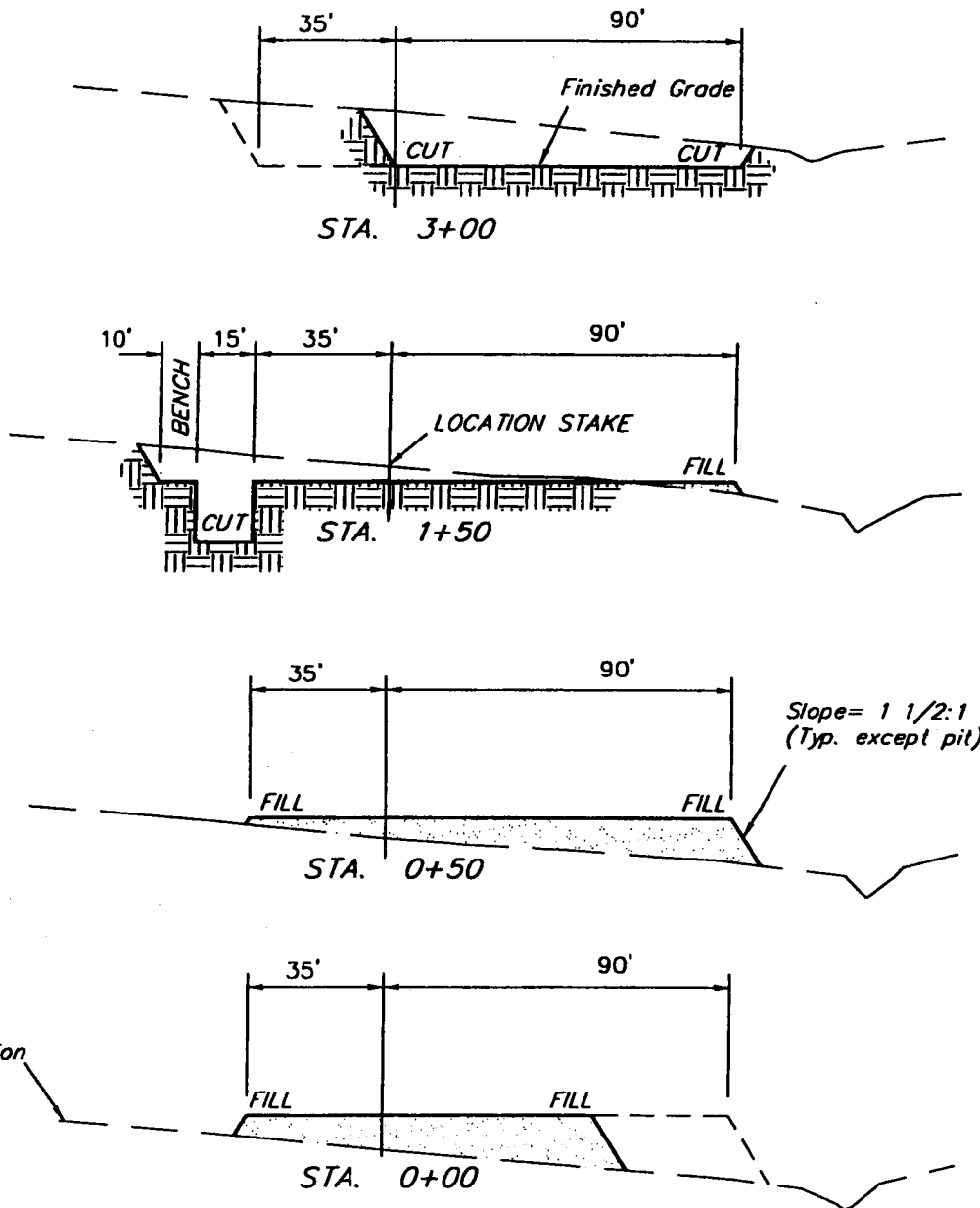
BAR-X UNIT #25

SECTION 12, T17S, R25E, S.L.B.&M.

1384' FSL 2165' FEL



DATE: 2-19-03  
Drawn By: C.G.



### APPROXIMATE YARDAGES

#### CUT

(6") Topsoil Stripping = 740 Cu. Yds.

Remaining Location = 2,330 Cu. Yds.

TOTAL CUT = 3,070 CU.YDS.

FILL = 2,040 CU.YDS.

EXCESS MATERIAL AFTER  
5% COMPACTION

= 920 Cu. Yds.

Topsoil & Pit Backfill  
(1/2 Pit Vol.)

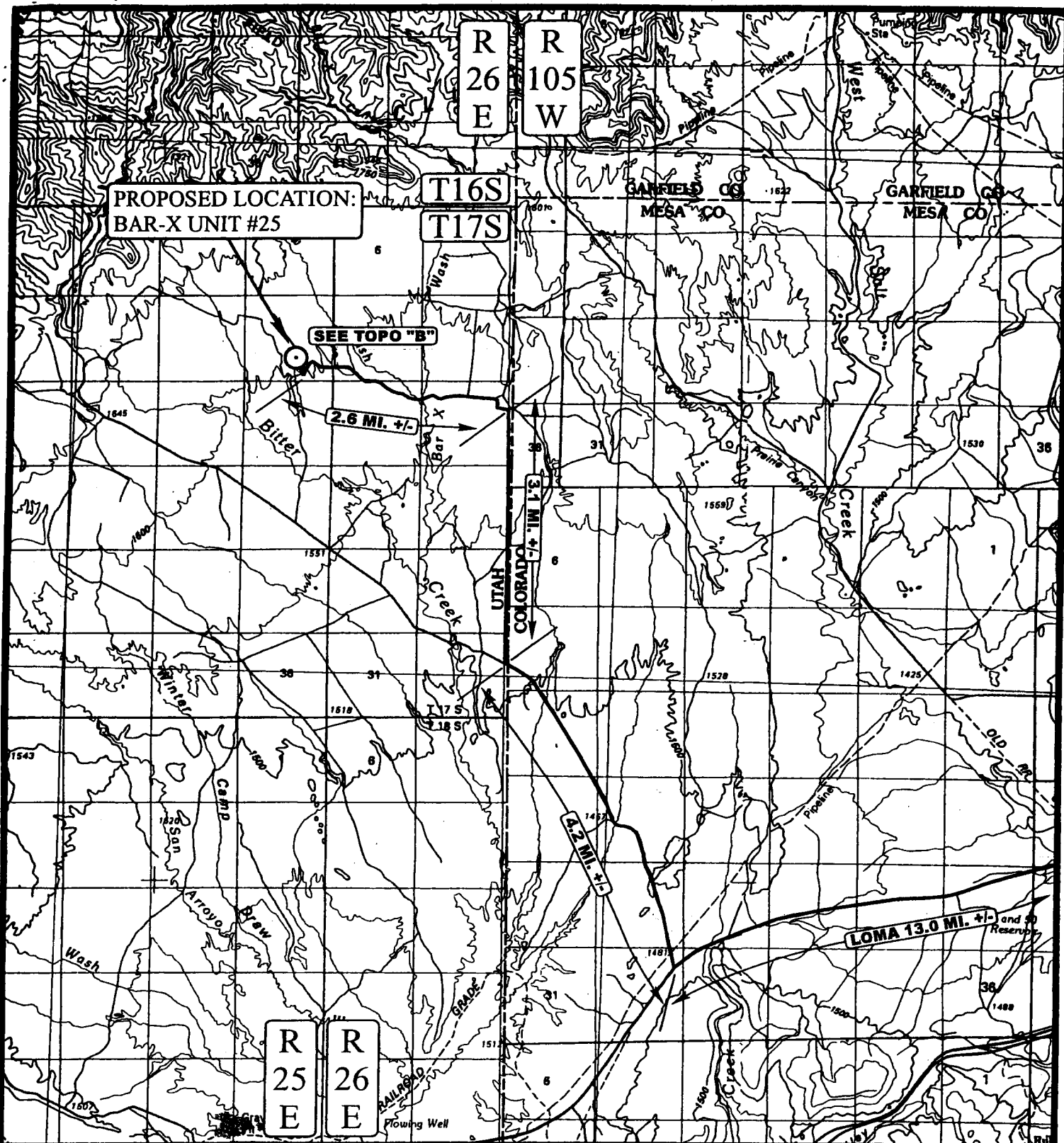
= 920 Cu. Yds.

EXCESS UNBALANCE  
(After Rehabilitation)

= 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



# LEGEND:

○ PROPOSED LOCATION

# LONE MOUNTAIN PRODUCTION

BAR-X UNIT #25

SECTION 12, T17S, R25E, S.L.B.&M.

1384' FSL 2165' FEL



Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

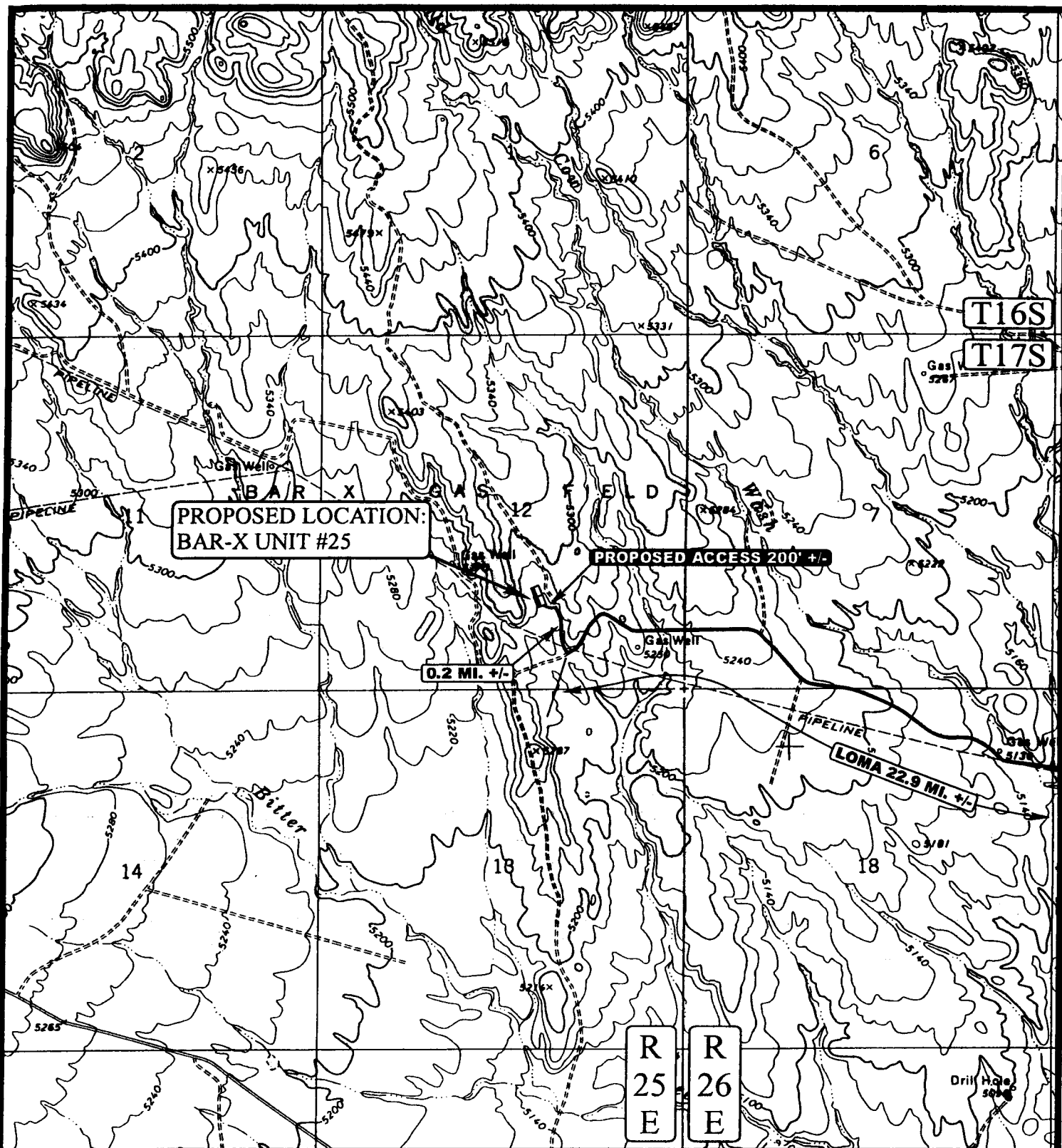


TOPOGRAPHIC  
MAP

2 2003  
MONTH DAY YEAR

SCALE: 1 : 100,000 DRAWN BY: J.L.G. REVISED: 00-00-00

A  
TOPO



# LEGEND:

----- PROPOSED ACCESS ROAD  
 \_\_\_\_\_ EXISTING ROAD

## LONE MOUNTAIN PRODUCTION

BAR-X WASH #25

SECTION 12, T17S, R25E, S.L.B.&M.

1384' FSL 2165' FEL



Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
 MAP

2 2003  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

B  
 TOPO

## LONE MOUNTAIN PRODUCTION COMPANY

Mailing Address:  
P.O. Box 80965  
Billings, MT 59108-0965

(406) 245-5077  
FAX 248-6321

Shipping Address:  
1911 King Avenue West  
Billings, MT 59102

July 31, 2003

John R. Baza  
Utah Division of Oil, Gas, & Mining  
1594 West North Temple, Suite 1210  
P.O. Box 145801  
Salt Lake City, Utah 84114-5801

Re: EXCEPTION LOCATION REQUEST, BAR-X UNIT NO. 25

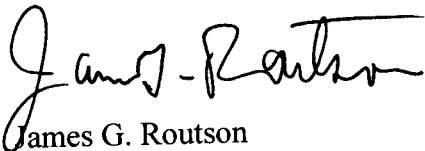
Dear Mr. Baza:

Lone Mountain Production Company hereby requests an exception location for the Bar-X Unit No. 25 well located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$  Sec 12-T17S-R25E, Grand County, Utah. The exception is needed for geologic and drainage reasons. The Bar-X No. 25 will be one of three wells producing from the Entrada formation, and will be 4,382' from the Bar-X No. 11 well.

The well is in the Bar-X Unit (and will be in a new participating area) and meets state spacing requirements for distance from wells and lease lines; however, it is not situated within 200' of the center of the  $\frac{1}{4}$  $\frac{1}{4}$ . There are no other working interest owners or leasehold interests within 460' of the proposed well location. This location was picked using structural position and optimum reservoir drainage as the primary criteria.

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



James G. Routson  
President

cc: Joe Dyk

RECEIVED  
AUG 04 2003  
DIV. OF OIL, GAS & MINING





State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
(801) 538-7223 TTY  
www.nr.utah.gov

Michael O. Leavitt  
Governor  
Robert L. Morgan  
Executive Director  
Lowell P. Braxton  
Division Director

August 4, 2003

Lone Mountain Production Company  
P O Box 80965  
Billings, MT 59108-0965

Re: Bar X Unit 25 Well, 1384' FSL, 2165' FEL, NW SE, Sec. 12, T. 17 South, R. 25 East,  
Grand County, Utah

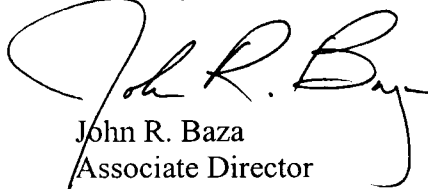
Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-019-31371.

Sincerely,



John R. Baza  
Associate Director

pab  
Enclosures

cc: Grand County Assessor  
Bureau of Land Management, Moab District Office

**Operator:** Lone Mountain Production Company  
**Well Name & Number** Bar X Unit 25  
**API Number:** 43-019-31371  
**Lease:** SLC-064806

**Location:** NW SE                      **Sec.** 12                      **T.** 17 South                      **R.** 25 East

### **Conditions of Approval**

**1. General**

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

**2. Notification Requirements**

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

**3. Reporting Requirements**

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

**4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.**

**5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.**

009

43-019-31371

**LONE MOUNTAIN PRODUCTION COMPANY**

Mailing Address:  
P.O. Box 80965  
Billings, MT 59108-0965

(406) 245-5077  
FAX 248-6321

Shipping Address:  
1911 King Avenue West  
Billings, MT 59102

August 19, 2003

State of Utah  
Division of Oil, Gas & Mining  
1594 W. Temple, Suite 1210  
P. O. Box 145801  
Salt Lake City, Utah 84114-5801

RE: NOTICE OF SPUD  
BAR-X UNIT NO. 25  
NWSE SECTION 12: T17S-R25E  
GRAND COUNTY, UTAH

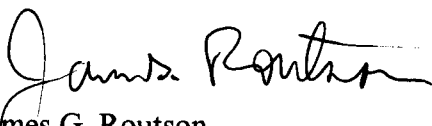
Gentlemen:

Enclosed is one sundry notice, in duplicate, notifying the DOGM that the Bar-X Unit No. 25 well was spud at 9:00 pm on August 18, 2003.

Should you have any questions or need further information, please contact me at (406) 245-5077 or Joe Dyk at (970) 858-7546 (office) or (970) 250-9770 (cell).

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY

  
James G. Routson  
President

enclosure

cc: Joe Dyk

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AUG 21 2003

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN  
TRIPLICATE\*  
(Other Instructions on  
reverse side)

Form Approved.  
Budget Bureau No. 1004-0135  
Expires : March 31, 1993

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT--" for such proposals <b>SUBMIT IN TRIPLICATE</b>		5. LEASE DESIGNATION AND SERIAL NO. <b>SL-064806</b>
1. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE <input type="checkbox"/> MULTIPLE <input type="checkbox"/> WELL <input type="checkbox"/> WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> ZONE <input type="checkbox"/> ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTEE OR TRIBE NAME
2. NAME OF OPERATOR <b>Lone Mountain Production Company</b>		7. IF UNIT OR CA, AGREEMENT DESIGNATION <b>Bar-X Unit UTU-630150</b>
3. ADDRESS OF OPERATOR <b>P. O. Box 80965, Billings, Montana 59108 (406) 245-5077</b>		8. WELL NAME and No. <b>Federal No. 25</b> <b>BAR X UNIT 25</b>
4. LOCATION OF WELL (Footage, Sec. T., R., M., or Survey Description) <b>1384' FSL, 2165' FEL Section 12-T17S-R25E (NWSE)</b>		9. API WELL NO. <b>43-019-31371</b>
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		10. Field and Pool, or Exploratory Area <b>Bar-X</b>
TYPE OF SUBMISSION <input type="checkbox"/> Notice of Intent <input checked="" type="checkbox"/> Subsequent Report <input type="checkbox"/> Final Abandonment Notice	TYPE OF ACTION <input type="checkbox"/> Abandonment <input type="checkbox"/> Recompletion <input type="checkbox"/> Plugging Back <input type="checkbox"/> Casing Repair <input type="checkbox"/> Altering Casing <input checked="" type="checkbox"/> Other <b>Notice of Spud</b>	11. County or Parish, State <b>Grand County, Utah</b>
(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form)		

13. Describe the Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If a well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

The Bar-X Unit No. 25 was spud at 9:00 pm on August 18, 2003. Drilled 12-1/4" surface hole to 236'. Mud weight 8.6 ppg, viscosity 40, WL NC

Jack Johnson of the BLM was given verbal notice on August 17, 2003.

14. I hereby certify that the foregoing is true and correct.

Signed :

*James Rounton*

Title: President

Date: August 19, 2003

(This space for Federal or State office use)

APPROVED BY:

TITLE:

DATE:

CONDITIONS OF APPROVAL IF ANY

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instructions of Reverse Side

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AUG 21 2003

DIV. OF OIL, GAS & MINING

010

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM - FORM 6

OPERATOR LONE MOUNTAIN PRODUCTION COMPANYOPERATOR ACCT. NO. N 7210ADDRESS P. O. BOX 80965BILLINGS MT 59108

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					00	SC	TP	RG	COUNTY		
B	99999	10692 ✓	43-019-31371	BAR-X UNIT NO. 25	WSE	12	17S	25E	GRAND	8/18/03	8/24/03
WELL 1 COMMENTS:											
ENRD											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

## ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

(3/89)

RECEIVED

AUG 25 2003

DIV. OF OIL, GAS &amp; MINING

James R. Rauten  
Signature  
President  
Title  
8/25/03  
Date  
Phone No. (406) 245-5077

08/25/2003 13:43

14062486321

LONE MTN PROD CO

PAGE 02

**LONE MOUNTAIN PRODUCTION COMPANY**

Mailing Address:  
P.O. Box 80965  
Billings, MT 59108-0965

(406) 245-5077  
FAX 248-6321

Shipping Address:  
1911 King Avenue West  
Billings, MT 59102

August 27, 2003

State of Utah  
Division of Oil, Gas & Mining  
1594 W. Temple, Suite 1210  
P. O. Box 145801  
Salt Lake City, Utah 84114-5801

RE: SUNDRY NOTICE  
REPORT OF WATER ENCOUNTERED (FORM 7)  
BAR-X UNIT NO. 25  
NWSE SECTION 12: T17S-R25E  
GRAND COUNTY, UTAH

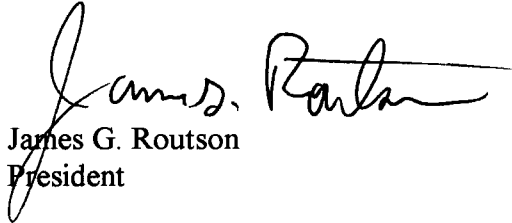
Gentlemen:

Enclosed is one sundry notice, in duplicate, notifying the Division of Oil, Gas & Mining on the current status of the referenced well. Also enclosed is one Report of Water Encountered (Form 7), in duplicate.

Should you have any questions or need further information, please contact me at (406) 245-5077 or Joe Dyk at (970) 858-7546 (office) or (970) 250-9770 (cell).

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



James G. Routson  
President

enclosure

cc: Joe Dyk

**RECEIVED**

**AUG 29 2003**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN  
TRIPLICATE\*  
(Other Instructions on  
reverse side)

Form Approved.  
Budget Bureau No. 1004-0135  
Expires : March 31, 1993

011

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> Do not use this form for proposals to drill or to deepen or reentry to a different reservoir. Use "APPLICATION FOR PERMIT-" for such proposals <b>SUBMIT IN TRIPLICATE</b>		5. LEASE DESIGNATION AND SERIAL NO. <b>SL-064806</b>
1. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> WELL <input type="checkbox"/> WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> ZONE <input type="checkbox"/> ZONE <input type="checkbox"/>		6. IF INDIAN, ALLOTEE OR TRIBE NAME
2. NAME OF OPERATOR <b>Lone Mountain Production Company</b>		7. IF UNIT OR CA, AGREEMENT DESIGNATION <b>Bar-X Unit UTU-630150</b>
3. ADDRESS OF OPERATOR <b>P. O. Box 80965, Billings, Montana 59108 (406) 245-5077</b>		8. WELL NAME and No. <b>Federal No. 25</b> <b>BARX UNIT 25</b>
4. LOCATION OF WELL (Footage, Sec. T., R., M., or Survey Description) <b>1384' FSL, 2165' FEL Section 12-T17S-R25E (NWSE)</b>		9. API WELL NO. <b>43-019-31371</b>
12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		10. Field and Pool, or Exploratory Area <b>Bar-X</b>
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Abandonment	<input type="checkbox"/> Change of Plans
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Recompletion	<input type="checkbox"/> New Construction
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Plugging Back	<input type="checkbox"/> Non-Routine Fracturing
	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Altering Casing	<input type="checkbox"/> Conversion to Injection
	<input checked="" type="checkbox"/> Other <u>Run Casing</u>	<input type="checkbox"/> Dispose of Water
		(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form)

13. Describe the Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If a well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

Drilled to 3742' TD. Ran E-logs.

Log Tops: Dakota Silt @ 2738' (+2547'); Dakota Sand 2820' (+2465'); Morrison 3056' (+2229');  
Entrada 3586' (+1699')

Ran 4-1/2" casing to 3738' and cemented with 225 sx. 10/2 thixotropic.

Rig released at 11:00 a.m., 8/27/03.

RECEIVED

AUG 29 2003

14. I hereby certify that the foregoing is true and correct.

Signed: [Signature]

Title: President

DIV. OF OIL, GAS & MINING

Date: August 27, 2003

(This space for Federal or State office use)

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_  
CONDITIONS OF APPROVAL IF ANY

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instructions of Reverse Side

## REPORT OF WATER ENCOUNTERED DURING DRILLING

1. Well name and number: Bar-X Unit No. 25

API number: 43-019-31371

2. Well Location: QQ NWSE Section 12 Township 17S Range 25E County Grand

3. Well operator: Lone Mountain Production Company

**Address:** P. O. Box 80965

Billings, MT 59108

**Phone:** (406) 245-5077

4. Drilling contractor: Elenburg Exploration

Address: P. O. Box 2440

**Casper, WY 82602**

Phone: (307) 235-8609

**5. Water encountered (attach additional pages as needed):**

[illegible]

6. Formation tops: Dakota Silt 2738' +2547'

Dakota Sand	2820'	+2465'
-------------	-------	--------

Morrison	3056'	+2229'
----------	-------	--------

Entrada	3586'	+1699'
---------	-------	--------

 TD | 3742' |

**If an analysis has been made of the water encountered, please attach a copy of the report to this form.**

I hereby certify that this report is true and complete to the best of my knowledge. Date: 8/27/03

Name & Signature: James G. Routson James G. Routson Title: President



**LONE MOUNTAIN PRODUCTION COMPANY**

Mailing Address:  
P.O. Box 80965  
Billings, MT 59108-0965

(406) 245-5077  
FAX 248-6321

Shipping Address:  
1911 King Avenue West  
Billings, MT 59102

October 21, 2003

State of Utah  
Division of Oil, Gas & Mining  
1594 W. Temple, Suite 1210  
P. O. Box 145801  
Salt Lake City, Utah 84114-5801

RE: WELL COMPLETION REPORT (FORM 8)  
BAR-X UNIT NO. 25  
NWSE SECTION 12: T17S-R25E  
GRAND COUNTY, UTAH

Gentlemen:

Enclosed is one Well Completion Report (Form 8), in duplicate, showing the completion of the referenced well.

Should you have any questions or need further information, please contact our office at (406) 245-5077 or Joe Dyk at (970) 858-7546 (office) or (970) 250-9770 (cell).

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



Carolyn Farmer  
Land Department

enclosure

cc: Joe Dyk

**RECEIVED**

**OCT 23 2003**

DIV. OF OIL, GAS & MINING

012

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

## WELL COMPLETION OR RECOMPLETION REPORT AND LOG

<b>1. TYPE OF WELL:</b> OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> Other _____ <b>2. TYPE OF COMPLETION:</b> NEW WELL <input checked="" type="checkbox"/> WORK OVER <input type="checkbox"/> DEEP-EN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> Other _____ <b>3. NAME OF OPERATOR</b> <u>Lone Mountain Production Company</u> <b>4. ADDRESS OF OPERATOR</b> <u>P. O. Box 80965, Billings, Montana 59108</u> <b>5. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)</b> At surface <u>1384' FSL, 2165' FEL Sec 12-T17S-R25E</u> At top prod. interval reported below <u>same</u> At total depth <u>same</u>						<b>6. LEASE DESIGNATION AND SERIAL NO.</b> <u>SL-064806</u>	
						<b>7. IF INDIAN, ALLOTTEE OR TRIBE NAME</b>  <b>8. UNIT AGREEMENT NAME</b> <u>Bar-X</u>	
<b>9. FARM OR LEASE NAME</b> <u>Federal</u>						<b>10. WELL NO.</b> <u>25</u>	
<b>11. FIELD AND POOL, OR WILDCAT</b> <u>Bar-X</u>						<b>12. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA</b> <u>NWSE Sec 12: T17S-R25E</u>	
<b>13. API NO.</b> <u>43-019-31371</u>		<b>DATE ISSUED</b> <u>8/4/03</u>		<b>14. COUNTY</b> <u>Grand</u>		<b>15. STATE</b> <u>Utah</u>	
<b>16. DATE SPUDDED</b> <u>8/18/03</u>		<b>17. DATE T.D. REACHED</b> <u>8/26/03</u>		<b>18. DATE COMPL. (Ready to prod.)</b> <u>10/15/03 (Plug &amp; Abd.)</u>		<b>19. ELEVATIONS (DF, BSB, RT, GR, ETC.)</b> <u>5274' GR, 5285' KB</u>	
<b>20. ELEV. CASINGHEAD</b> <u>5275'</u>		<b>21. TOTAL DEPTH, MD &amp; TVD</b> <u>3742'</u>		<b>22. PLUG BACK T.D., MD &amp; TVD</b> <u>3710'</u>		<b>23. IF MULTIPLE COMPL., HOW MANY</b> <u>0</u>	
<b>24. INTERVALS DRILLED BY</b> <u>0-1D</u>		<b>25. ROTARY TOOLS</b> <u>0-1D</u>		<b>26. CABLE TOOLS</b>  		<b>27. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)</b> <u>3591' - 3678' Entrada</u>	
<b>28. TYPE ELECTRIC AND OTHER LOGS RUN</b> <u>FDC/CNL/GR, DIL/GR, CBL/GR - Rec. 9-10-03</u>		<b>29. WAS WELL CORED</b> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> <small>(Submit analysis)</small> <b>30. DRILL STEM TEST</b> YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> <small>(See reverse side)</small>		<b>31. WAS DIRECTIONAL SURVEY MADE</b> <u>No</u>			
<b>32. CASING RECORD (Report all strings set in well)</b>							
CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	MOLE SIZE	CEMENTING RECORD		AMOUNT PULLED	
8-5/8"	24	315'	12"	175 sx Type 3, 3% CaCl <sub>2</sub>		-----	
4-1/2"	11.6	3738'	7-7/8"	225 sx 10-2 Thixotropic		-----	
<b>33. LINER RECORD</b>							
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	<b>34. TUBING RECORD</b>		
					SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	3546'	None
<b>35. PERFORATION RECORD (Interval, size and number)</b> <u>3592'-3640', 49 shots total, .43" EHD</u>				<b>36. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.</b>			
DEPTH INTERVAL (MD)		AMOUNT AND KIND OF MATERIAL USED					
		None					
<b>37. PRODUCTION</b>							
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)				WELL STATUS (Producing or shut-in)	
10/14/03		flowing				shut-in	
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD	OIL—BSL.	GAS—MCF.	WATER—BSL.	GAS-OIL RATIO
10/15/03	17	3/8"	→		1334		
FLOW. TUBING PRSS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL—BSL.	GAS—MCF.	WATER—BSL.	OIL GRAVITY-API (CORR.)	
800 psig	870 psig	→		1883			
<b>38. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)</b> <u>vented</u>						<b>39. TEST WITNESSED BY</b> <u>Joe Dyk</u>	
<b>40. LIST OF ATTACHMENTS</b> <u>None</u>						<b>41. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records</b>	
<b>SIGNED</b> <u>James G. Routson</u>		<b>TITLE</b> <u>President</u>		<b>DATE</b> <u>10/21/03</u>			

RECEIVED  
OCT 23 2003

DIV. OF OIL, GAS & MIN.

See Spaces for Additional Data on Reverse Side

## INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments.

ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above)

37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.			38. GEOLOGIC MARKERS		
Formation	Top	Bottom	Description, contents, etc.	Name	Top
				Meas. Depth	True Vert. Depth
Dakota	2896'	2910'	tight gas	Dakota Silt	2738"
Dakota	3011'	3035'	tight gas	Dakota Sand	2820"
Dakota	3048'	3056'	tight gas	Morrisson	3056"
Morrisson	3149'	3160'	tight gas	Entrada	+2229"
Entrada	3591'	3678"	gas		+1699"

**LONE MOUNTAIN PRODUCTION COMPANY**

Mailing Address:  
P.O. Box 80965  
Billings, MT 59108-0965

(406) 245-5077  
FAX 248-6321

Shipping Address:  
1911 King Avenue West  
Billings, MT 59102

December 26, 2003

State of Utah  
Division of Oil, Gas & Mining  
1594 W. Temple, Suite 1210  
P. O. Box 145801  
Salt Lake City, Utah 84114-5801

RE: NOTICE OF FIRST PRODUCTION  
BAR-X UNIT ENTRADA WELLS  
GRAND COUNTY, UTAH

Gentlemen:

Enclosed are three sundry notices, each in duplicate, notifying your office that the **Bar-X Unit No. 25** well was turned on for first production on December 23, 2003 at 5:00 p.m. The **Bar-X Unit No. 4** and the **Bar-X Unit No. 11** wells were turned on December 24, 2003 at 2:00 p.m. The gas is being delivered to Crescendo Energy Partners LLC Badger Wash Plant.

Should you have any questions or need further information, please contact our office at (406) 245-5077 or Joe Dyk at (970) 858-7546 (office) or (970) 250-9770 (cell).

Sincerely,

LONE MOUNTAIN PRODUCTION COMPANY



Carolyn Farmer  
Land Department

enclosures

cc: Joe Dyk

RECEIVED  
DEC 26 2003  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUBMIT IN  
TRIPLICATE\*  
(Other Instructions on  
reverse side)

Form Approved.  
Budget Bureau No. 1004-0135  
Expires : March 31, 1993

013

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.  
Use "APPLICATION FOR PERMIT--" for such proposals

**SUBMIT IN TRIPLICATE**

5. LEASE DESIGNATION AND SERIAL NO.  
**SL-064806**

6. IF INDIAN, ALLOTEE OR TRIBE NAME

7. IF UNIT OR CA, AGREEMENT DESIGNATION  
**Bar-X Unit UTU-630150**

8. WELL NAME and No.  
**Federal No. 25**

9. API WELL NO.  
**43-019-31371**

10. Field and Pool, or Exploratory Area  
**Bar-X**

11. County or Parish, State  
**Grand County, Utah**

1. TYPE OF WELL

OIL ☐ GAS ☐ SINGLE ZONE ☒ MULTIPLE ZONE ☐  
WELL ☐ WELL ☒ OTHER ☐

2. NAME OF OPERATOR

**Lone Mountain Production Company**

3. ADDRESS OF OPERATOR

**P. O. Box 80965, Billings, Montana 59108 (406) 245-5077**

4. LOCATION OF WELL (Footage, Sec. T., R., M., or Survey Description)

**1384' FSL, 2165' FEL Section 12-T17S-R25E  
(NWSE)**

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent  
☒ Subsequent Report  
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment  
☐ Recompletion  
☐ Plugging Back  
☐ Casing Repair  
☐ Altering Casing  
☒ Other **Notice of First Production**

- ☐ Change of Plans  
☐ New Construction  
☐ Non-Routine Fracturing  
☐ Water Shut-Off  
☐ Conversion to Injection  
☐ Dispose of Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log Form)

13. Describe the Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If a well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)\*

**Please be advised the Bar-X Unit No. 25 well was turned on for first production on December 23, 2003 at 5:00 p.m. The gas is being delivered to Crescendo Energy Partners LLC Badger Wash Plant at a rate of 1,000 MCFD.**

RECEIVED

DEC 29 2003

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Signed: *James R. Porter*

Title: **President**

Date: **December 26, 2003**

(This space for Federal or State office use)

APPROVED BY: \_\_\_\_\_ TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_  
CONDITIONS OF APPROVAL IF ANY

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*See Instructions of Reverse Side



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155



IN REPLY REFER TO  
3160  
UT-922

August 19, 2004

Lone Mountain Production Company  
Attn: James Routson  
P.O. Box 80965  
Billings, Montana 59108-0965

Re: Initial Entrada Formation PA  
Bar X Unit  
Grand County, Utah  
Mesa County, Colorado

Gentlemen:

The Initial Entrada Formation Participating Area, Bar X Unit, CRS No. UTU63015B, AFS No. 891000324B, is hereby approved effective as of December 23, 2003, pursuant to Section 11 of the Bar X Unit Agreement, Grand County, Utah and Mesa County, Colorado.

The Initial Entrada Formation Participating Area results in an Initial Participating Area of 1,200.00 acres and is based upon the completion of Well No. 25, API No. 43-019-31371, located in the NW $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 12, Township 17 South, Range 25 East, SLM&B, Federal Unit Tract No. 2, on Federal Lease UTSL064806, as being a well capable of producing unitized substances in paying quantities. A revised Exhibit "B" is attached showing corrected lease descriptions, acreages and percent of participation.

Copies of the approved request are being distributed to the appropriate agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Initial Entrada Formation Participating Area, Bar X Unit, and the effective date.

Sincerely,

/s/ Terry Catlin

Terry Catlin  
Acting Chief, Branch of Fluid Minerals

Enclosure

bcc: Dockets w/exhibit b  
Division of Oil, Gas & Mining  
SITLA  
Bar X Unit w/enclosure  
MMS - Data Management Division (Attn: James Sykes)  
Field Manager - Moab w/enclosure  
Agr. Sec. Chron. / Fluid Chron.  
Central Files

UT922:TATHOMPSON:tt:8/19/04

RECEIVED

AUG 20 2004

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET (for state use only)**

**ROUTING**  
**CDW**

**X - Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**3/7/2014**

<b>FROM: (Old Operator):</b> LONE MOUNTAIN PRODUCTION COMPANY (N7210) P O BOX 80965 BILLING MT 59108-0965  Phone: 1 (406) 245-5077	<b>TO: ( New Operator):</b> SOUTHWESTERN ENERGY VENTURES COMPANY, LLC (N4035) PO BOX 1056 BAYFIELD CO 81122-1056  Phone: 1 (970) 669-7411
---	--

**CA No.**

**Unit:**

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
BAR X UNIT 4	18	170S	260E	4301915023	10692	Federal	GW	S
BAR X UNIT 11	18	170S	260E	4301930592	10692	Federal	GW	S
BAR X UNIT 25	12	170S	250E	4301931371	10692	Federal	GW	S

**Enter date after each listed item is completed**

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 3/24/2014
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 3/11/2014
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/26/2014
- 4a. Is the new operator registered in the State of Utah: Business Number: 8812939-0161
- 5a. (R649-9-2) Waste Management Plan has been received on: Not Yet
- 5b. Inspections of LA PA state/fee well sites complete on: N/A
- 5c. Reports current for Production/Disposition & Sundries on: 3/26/2014
- Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM Yes INDIAN N/A
- Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: N/A
- Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: N/A
- Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 3/26/2014
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 3/26/2014
- Bond information entered in RBDMS on: N/A
- Fee/State wells attached to bond in RBDMS on: N/A
- Injection Projects to new operator in RBDMS on: N/A
- Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
- Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: RLB0015347
- Indian well(s) covered by Bond Number: N/A
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number N/A
- 3b. The **FORMER** operator has requested a release of liability from their bond on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

BLM terminated Bar X Unit Endrada PA effective 2/6/2014. Well will be assinged new stand alone entities



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
440 West 200 South, Suite 500  
Salt Lake City, UT 84101  
<http://www.blm.gov/ut/st/en.html>



IN REPLY REFER TO:  
3160 – UTU63015X  
(UT-922000)

**FEB 28 2014**

**RECEIVED**

**MAR 19 2014**

**DIV. OF OIL, GAS & MINING**

Mr. James G. Rouston  
Lone Mountain Production Company  
2590 Holman Avenue, Suite B-1  
Billings, Montana 59102

Re: Termination of Entrada Participating Area  
Bar X Unit, Grand County, Utah

Dear Mr. Rouston:

On February 6, 2014, the Bar X Unit Agreement was amended to exclude all formations from the top of the Entrada Formation. As a result of the amendment, the Entrada Participating Area, Case Recordation System Number, UTU63015B, Office of Natural Resource Revenue IID, 891000324B, terminated effective February 6, 2014, the approval date of the amendment.

The following wells shall be reported and handled on a lease basis effective February 6, 2014.

API	Well Name	Location	Lease
4301930592	Bar X Unit 11	NWNW, Section 18, T17S, R26E, SLB&M	UTSL064807
4301931371	Bar X Unit 25	NWSE, Section 12, T17S, R25E, SLB&M	UTSL064806
4301915023	Bar Unit 4	NENE, Section 18, T17S, R26E, SLB&M	UTSL064807

If you have any questions, please contact Mickey Coulthard of this office at (801)-539-4042.

Sincerely,

Roger L. Bankert  
Chief, Branch of Minerals



RECEIVED

MAR 11 2014

FORM 9

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

DIV. OF OIL, GAS &amp; MINING

5. LEASE DESIGNATION AND SERIAL NUMBER:

SL-064086

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

Bar-X Unit UTU-630150

8. WELL NAME and NUMBER:

Bar-X Unit No. 25

9. API NUMBER:

019-31371

10. FIELD AND POOL, OR WILDCAT:

Bar-X

# SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL

OIL WELL ☐GAS WELL ☒

OTHER

2. NAME OF OPERATOR:

Southwestern Energy Ventures Company LLC

3. ADDRESS OF OPERATOR:

P. O. Box 1056

CITY Bayfield

STATE CO

ZIP 81122-1056

PHONE NUMBER:

(970) 669-7411

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1384' FSL, 2165' FEL

MAR 24 2014

COUNTY: GRAND

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSE 12 17S 25E S

STATE:

UTAH

DIV. OF OIL, GAS &amp; MINING

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT  
(Submit in Duplicate)

Approximate date work will start:

☒ SUBSEQUENT REPORT  
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE☐ ALTER CASING☐ CASING REPAIR☐ CHANGE TO PREVIOUS PLANS☐ CHANGE TUBING☐ CHANGE WELL NAME☐ CHANGE WELL STATUS☐ COMMINGLE PRODUCING FORMATIONS☐ CONVERT WELL TYPE☐ DEEPEN☐ FRACTURE TREAT☐ NEW CONSTRUCTION☐ OPERATOR CHANGE☐ PLUG AND ABANDON☐ PLUG BACK☐ PRODUCTION (START/RESUME)☐ RECLAMATION OF WELL SITE☐ RECOMPLETE - DIFFERENT FORMATION☐ REPERFORATE CURRENT FORMATION☐ SIDETRACK TO REPAIR WELL☐ TEMPORARILY ABANDON☐ TUBING REPAIR☐ VENT OR FLARE☐ WATER DISPOSAL☐ WATER SHUT-OFF☐ OTHER: Change of Operator

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Southwestern Energy Ventures Company LLC assumed operation of the above referenced well, effective March 7, 2014.  
The former Operator is Lone Mountain Production Company.

Bond coverage is provided by Southwestern Energy Ventures Company LLC's Statewide Bond RLB0015348.

BLM: 0015347

Lone Mountain Production Company

By:

James G. Routson, President

NAME (PLEASE PRINT)

MATTHEW HACKER

TITLE

MANAGER

SIGNATURE

DATE

3/6/14

(This space for State use only)

APPROVED

MAR 26 2014

DIV. OIL GAS &amp; MINING

BY: Rachel Medina

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

RECEIVED

FORM 6

MAR 26 2014

Div. of Oil, Gas & Mining

ENTITY ACTION FORM

Operator: Southwestern Energy Ventures Company LLC  
Address: 2154 W. Eisenhower Blvd.  
city Loveland  
state CO zip 80537

Operator Account Number: N 4035

Phone Number: (970) 669-7411

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301915023	Bar-X Unit No. 4		NENE	18	17S	26E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	10692	19412				2/6/2014	
Comments: Enrd 3/26/14							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301930592	Bar-X Unit No. 11		NWNW	18	17S	26E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	10692	19413				2/6/2014	
Comments: Enrd 3/26/14							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4301931371	Bar-X Unit No. 25		NWSE	12	17S	25E	Grand
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	10692	19414				2/6/2014	
Comments: Enrd 3/26/14							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Kellie Diffendaffer

Name (Please Print)

Signature

Accountant

Title

3/26/2014

Date

Effective Date: 11/1/2014

<b>FORMER OPERATOR:</b>	<b>NEW OPERATOR:</b>
Southwestern Energy Ventures Company, LLC N4035 2154 W Eisenhower Blvd Loveland, CO 80537 970-669-7411	SWEVCO-SABW, LLC N4155 2154 W Eisenhower Blvd Loveland, CO 80537 970-669-7411
<b>CA Number(s):</b>	San Arroyo

**WELL INFORMATION:**

Well Name	Sec	TWN	RNG	API	Entity	Mineral	Surface	Type	Status
See Attached List									

**OPERATOR CHANGES DOCUMENTATION:**

1. Sundry or legal documentation was received from the **FORMER** operator on: 10/21/2014
2. Sundry or legal documentation was received from the **NEW** operator on: 10/21/2014
3. New operator Division of Corporations Business Number: 8820416-0161

**REVIEW:**

1. Surface Agreement Sundry from **NEW** operator on Fee Surface wells received on: N/A
2. Receipt of Acceptance of Drilling Procedures for APD/New on: N/A
3. Reports current for Production/Disposition & Sundries: 10/27/2014
4. OPS/SI/TA well(s) reviewed for full cost bonding: 10/27/2014
5. UIC5 on all disposal/injection/storage well(s) approved on: N/A
6. Surface Facility(s) included in operator change: None
7. Inspections of PA state/fee well sites complete on (only upon operators request): N/A

**NEW OPERATOR BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: RLB0015753
2. Indian well(s) covered by Bond Number: RLB0015753
3. State/fee well(s) covered by Bond Number(s): RLB0015799

**DATA ENTRY:**

1. Well(s) update in the **OGIS** on: 11/3/2014
2. Entity Number(s) updated in **OGIS** on: 11/3/2014
3. Unit(s) operator number update in **OGIS** on: 11/3/2014
4. Surface Facilities update in **OGIS** on: N/A
5. State/Fee well(s) attached to bond(s) in **RBDMS** on: 11/3/2014
6. Surface Facilities update in **RBDMS** on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

1. The **NEW** operator of the Fee (Mineral) wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 11/3/2014

**COMMENTS:**

Southwestern Energy Ventures Company, LLC to SWEVCO-SABW, LLC  
Effective November 1, 2014

Well Name	Sec	TWN	RNG	API Number	Entity	Mineral	Surface	Tpye	Status	Unit
ARCO 27-1	27	160S	250E	4301930570	11595	Federal	Federal	GW	P	
BLACK HORSE CANYON FED 31-1	31	150S	240E	4304730765	8345	Federal	Federal	GW	P	
FEDERAL 174 1	11	160S	250E	4301915884	8340	Federal	Federal	GW	P	
FEDERAL GILBERT 1	11	160S	250E	4301911089	8341	Federal	Federal	GW	P	
ARCO STATE 36-7	36	155S	240E	4301931162	9710	State	State	GW	P	
ARCO-STATE 2-1	2	160S	240E	4301930240	520	State	State	GW	P	
ARCO-STATE 2-2	2	160S	240E	4301930241	520	State	State	GW	P	
BITTER CREEK 1	2	160S	250E	4301930047	515	State	State	GW	P	
BAR X UNIT 11	18	170S	260E	4301930592	19413	Federal	Federal	GW	S	
BAR X UNIT 25	12	170S	250E	4301931371	19414	Federal	Federal	GW	S	
BAR X UNIT 4	18	170S	260E	4301915023	19412	Federal	Federal	GW	S	
ARCO STATE 36-8	36	155S	240E	4301931192	9710	State	State	GW	S	
FEDERAL 47	31	160S	260E	4301931318	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 12	23	160S	250E	4301915893	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 13	22	160S	250E	4301915894	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 16	26	160S	250E	4301915896	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 17	24	160S	250E	4301915897	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 18	30	160S	260E	4301915898	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 19	14	160S	250E	4301915899	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 20	26	160S	250E	4301915900	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 21	25	160S	250E	4301915901	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 22	15	160S	250E	4301915902	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 24	19	160S	260E	4301915903	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 25	21	160S	250E	4301915904	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 26	20	160S	260E	4301915905	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 27	29	160S	260E	4301915906	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 28	29	160S	260E	4301915907	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 3	23	160S	250E	4301915886	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 30	21	160S	260E	4301915909	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 33	25	160S	250E	4301930608	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 4	30	160S	260E	4301915887	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 44	30	160S	260E	4301931301	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 45	20	160S	260E	4301931299	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 49	29	160S	260E	4301931316	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 9	27	160S	250E	4301915891	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 35	24	160S	250E	4301911090	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 36-A	19	160S	260E	4301931251	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 37	20	160S	260E	4301931252	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 42	30	160S	260E	4301931290	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO U 43	29	160S	260E	4301931291	500	Federal	Federal	GW	P	SAN ARROYO
SAN ARROYO 8	16	160S	250E	4301915890	500	Federal	State	GW	P	SAN ARROYO
SAN ARROYO U 38	16	160S	250E	4301931253	500	State	State	GW	P	SAN ARROYO
SAN ARROYO U 41	36	160S	250E	4301931289	500	State	Fee	GW	P	SAN ARROYO
SAN ARROYO 1	26	160S	250E	4301916532	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 11	15	160S	250E	4301915892	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 1625-220	22	160S	250E	4301931580	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 2	22	160S	250E	4301915885	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 29	22	160S	250E	4301915908	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 31	22	160S	250E	4301930527	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 32	14	160S	250E	4301930528	500	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 5	25	160S	250E	4301915888	505	Federal	Federal	GW	S	SAN ARROYO
SAN ARROYO 6	21	160S	250E	4301915889	505	Federal	Federal	GW	S	SAN ARROYO

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
SOUTHWESTERN ENERGY VENTURES COMPANY, LLC Operator #N4035

3. ADDRESS OF OPERATOR:  
2154 W. Eisenhower Blvd. CITY Loveland STATE CO ZIP 80537 PHONE NUMBER: (970) 669-7411

4. LOCATION OF WELL

FOOTAGES AT SURFACE: See Attached

COUNTY: See Attached

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please see attached list of wells, transferring operations to new operator SWEVCO-SABW, LLC #N4155

NAME (PLEASE PRINT) Ezra Lee

TITLE President, Southwestern Energy Ventures Comp.

SIGNATURE

DATE

10-16-14

(This space for State use only)

APPROVED

NOV 03 2014

DIV. OIL GAS & MINING

BY: Rachel Medina

(5/2000)

(See Instructions on Reverse Side)

RECEIVED

OCT 21 2014

DIV. OF OIL, GAS & MINING

UTAH																										
API Well Number	Well Name	Operator	Well Status	Well Type	WI	NRI	RI	OR	Field Name/Unit #	Surface Ownership	Mineral Lease	Lease Number	County	Qtr/Qtr	Section	Township-Range	FNL/FSL		FEL/FWL		Latitude	Longitude	Elev. GR	TD	Unit #	PUMPER
OPERATED																										
Outside the Unit		SWEVCO-SABW																								
43-019-30570	ARCO 27-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	Federal	Federal	U-29645	GRAND	NWSW	27	16S-25E	1787	S	1200	W	39.3846	-109.14821	6740	5700		Chris
43-019-31162	ARCO STATE 36-7	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSE	36	15.5S-24E	540	S	1550	E	39.45341	-109.21341	8319	7945		Chris
43-019-31192	ARCO STATE 36-8	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSW	36	15.5S-24E	945	S	850	W	39.45468	-109.22361	7789	7490		Chris
43-019-30240	ARCO STATE 2-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NESE	2	16S-24E	2194	S	991	E	39.44346	-109.23015	8443	7600		Chris
43-019-30241	ARCO STATE 2-2	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NWNW	2	16S-24E	769	N	857	W	39.44995	-109.24212	7886	7250		Chris
43-019-30047	BITTER CREEK 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	State	State	ML-25151	GRAND	SWSE	2	16S-25E	395	S	2530	E	39.4387	-109.12413	7375	6658		Chris
43-047-30765	BLACK HORSE CANYON FED 31-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	BLACK HORSE CYN	Federal	Federal	U-14234	UINTAH	NWSW	31	15S-24E	1820	S	500	W	39.46736	-109.28001	8262	7910		Chris
43-019-15884	FEDERAL 174 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84875000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SESW	11	16S-25E	1285	S	2090	W	39.42669	-109.1264	6577	5299		Chris
43-019-11089	FEDERAL GILBERT 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SWNE	11	16S-25E	1700	N	1830	E	39.4329	-109.12144	7001	6200		Chris
43-019-15023	BAR X UNIT 4	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NENE	18	17S-26E	660	N	660	E	39.33379	-109.07281	5146	3599		Chris
43-019-30592	BAR X UNIT 11	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NWNW	18	17S-26E	1319	N	1285	W	39.33203	-109.08486	5200	3466		Chris
43-019-31371	BAR X UNIT 25	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064806	GRAND	NWSE	12	17S-25E	1384	S	2165	E	39.33965	-109.09684	5273	3742		Chris
San Arroyo Unit																										Chris
43-019-16532	SAN ARROYO 1	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENW	26	16S-25E	1712	N	2566	W	39.38943	-109.12453	6033	5065		Chris
43-019-15892	SAN ARROYO 11	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05059C	GRAND	NESW	15	16S-25E	1760	S	1990	W	39.41349	-109.14544	7524	6367		Chris
43-019-15893	SAN ARROYO 12	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SWSW	23	16S-25E	1140	S	1220	W	39.39734	-109.12949	6507	4731		Chris
43-019-15894	SAN ARROYO 13	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	C-SW	22	16S-25E	1320	S	1320	W	39.39783	-109.14783	7592	6260		Chris
43-019-15896	SAN ARROYO 16	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SESW	26	16S-25E	1125	S	1790	W	39.38276	-109.12746	5922	4884		Chris
43-019-15897	SAN ARROYO 17	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25243	GRAND	NENE	24	16S-25E	660	N	940	E	39.40676	-109.09956	5983	5003		Chris
43-019-15898	SAN ARROYO 18	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06023	GRAND	NWNW	30	16S-26E	660	N	990	W	39.39241	-109.09272	5778	4128		Chris
43-019-15899	SAN ARROYO 19	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSE	14	16S-25E	820	S	1610	E	39.41086	-109.12089	6305	5200		Chris
43-019-15885	SAN ARROYO 2	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-0370A	GRAND	SENW	22	16S-25E	2420	N	2430	W	39.40199	-109.14379	7752	6826		Chris
43-019-15900	SAN ARROYO 20	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENE	26	16S-25E	1360	N	170	E	39.39025	-109.11553	6855	5457		Chris
43-019-15901	SAN ARROYO 21	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	NWSE	25	16S-25E	2066	S	2340	E	39.3853	-109.1047	5878	4299		Chris
43-019-15902	SAN ARROYO 22	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011A	GRAND	NENE	15	16S-25E	1210	N	990	E	39.41968	-109.13711	6480	5500		Chris
43-019-15903	SAN ARROYO 24	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06188	GRAND	SENW	19	16S-26E	2450	N	1495	W	39.40194	-109.09106	6023	4815		Chris
43-019-15904	SAN ARROYO 25	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25244	GRAND	SWNE	21	16S-25E	1520	N	1805	E	39.40437	-109.15872	7599	5894		Chris
43-019-15905	SAN ARROYO 26	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25297	GRAND	SWSW	20	16S-26E	660	S	660	W	39.39603	-109.07543	5800	4800		Chris
43-019-15906	SAN ARROYO 27	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06021	GRAND	NESW	29	16S-26E	1990	S	2100	W	39.3851	-109.07027	5584			Chris
43-019-15907	SAN ARROYO 28	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-5650	GRAND	NWNE	29	16S-26E	660	N	1980	E	39.39225	-109.06591	5690	4260		Chris
43-019-15908	SAN ARROYO 29	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	NENE	22	16S-25E	1300	N	195	E	39.40492	-109.13429	6849	5200		Chris
43-019-15886	SAN ARROYO 3	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	SENW	23	16S-25E	1425	N	1450	W	39.40481	-109.12847	6474	5460		Chris
43-019-15909	SAN ARROYO 30	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05650	GRAND	NWSW	21	16S-26E	2600	S	900	W	39.40124	-109.05587	5481	4293		Chris
43-019-30527	SAN ARROYO 31	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	NWNW	22	16S-25E	1111	N	913	W	39.40567	-109.14907	7742	6071		Chris
43-019-30528	SAN ARROYO 32	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538</																				

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: See Attached
2. NAME OF OPERATOR: SWEVCO-SABW, LLC Operator #N4155		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 
3. ADDRESS OF OPERATOR: 2154 W. Eisenhower Blvd. CITY Loveland STATE CO ZIP 80537		7. UNIT or CA AGREEMENT NAME: See Attached
PHONE NUMBER: (970) 669-7411		8. WELL NAME and NUMBER: See Attached
4. LOCATION OF WELL FOOTAGES AT SURFACE: See Attached		9. API NUMBER: Attached
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: _____		10. FIELD AND POOL, OR WILDCAT: 
COUNTY: See Attached		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Please see attached list of wells, taking over as operator from Southwestern Energy Ventures Company, LLC #N4035

Effective date: November 1, 2014  
BLM Bond: RLB 0015753  
State Bond: RLB 0015799

NAME (PLEASE PRINT) Kellie Diffendaffer	TITLE Accounting Manager
SIGNATURE <i>Kellie Diffendaffer</i>	DATE 10/14/14

(This space for State use only)

RECEIVED

OCT 21 2014

APPROVED

NOV 03 2014

(5/2000)

(See Instructions on Reverse Side)

DIV. OF OIL, GAS & MINING

DIV. OIL GAS & MINING  
BY: *Rachel Medina*

UTAH																									
API Well Number	Well Name	Operator	Well Status	Well Type	WI	NRI	RI	OR	Field Name/Unit #	Surface Ownership	Mineral Lease	Lease Number	County	Qtr/Qtr	Section	Township-Range	FNL/FSL	FEL/FWL	Latitude	Longitude	Elev. GR	TD	Unit #	PUMPER	
OPERATED																									
Outside the Unit		SWEVCO-SABW																							
43-019-30570	ARCO 27-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	Federal	Federal	U-29645	GRAND	NWSW	27	16S-25E	1787	S	1200	W	39.3846	-109.14821	6740	5700	Chris
43-019-31162	ARCO STATE 36-7	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSE	36	15.5S-24E	540	S	1550	E	39.45341	-109.21341	8319	7945	Chris
43-019-31192	ARCO STATE 36-8	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	SWSW	36	15.5S-24E	945	S	850	W	39.45468	-109.22361	7789	7490	Chris
43-019-30240	ARCO STATE 2-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NESE	2	16S-24E	2194	S	991	E	39.44346	-109.23015	8443	7600	Chris
43-019-30241	ARCO STATE 2-2	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	EAST CANYON	State	State	ML-22208	GRAND	NWNW	2	16S-24E	769	N	857	W	39.44995	-109.24212	7886	7250	Chris
43-019-30047	BITTER CREEK 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.87500000	-	-	SAN ARROYO	State	State	ML-25151	GRAND	SWSE	2	16S-25E	395	S	2530	E	39.4387	-109.12413	7375	6658	Chris
43-047-30765	BLACK HORSE CANYON FED 31-1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	BLACK HORSE CYN	Federal	Federal	U-14234	UINTAH	NWSW	31	15S-24E	1820	S	500	W	39.46736	-109.28001	8262	7910	Chris
43-019-15884	FEDERAL 174 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84875000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SESW	11	16S-25E	1285	S	2090	W	39.42669	-109.1264	6577	5299	Chris
43-019-11089	FEDERAL GILBERT 1	SWEVCO-SABW	Producing	Gas Well	1.0000000	0.84500000	-	-	SAN ARROYO	Federal	Federal	U-0126528	GRAND	SWNE	11	16S-25E	1700	N	1830	E	39.4329	-109.12144	7001	6200	Chris
43-019-15023	BAR X UNIT 4	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NENE	18	17S-26E	660	N	660	E	39.33379	-109.07281	5146	3599	Chris
43-019-30592	BAR X UNIT 11	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064807	GRAND	NWNW	18	17S-26E	1319	N	1285	W	39.33203	-109.08486	5200	3466	Chris
43-019-31371	BAR X UNIT 25	SWEVCO-SABW	Producing	Gas Well					BAR X	Federal	Federal	UTSL064806	GRAND	NWSE	12	17S-25E	1384	S	2165	E	39.33965	-109.09684	5273	3742	Chris
San Arroyo Unit																								Chris	
43-019-16532	SAN ARROYO 1	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENW	26	16S-25E	1712	N	2566	W	39.38943	-109.12453	6033	5065	Chris
43-019-15892	SAN ARROYO 11	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05059C	GRAND	NESW	15	16S-25E	1760	S	1990	W	39.41349	-109.14544	7524	6367	Chris
43-019-15893	SAN ARROYO 12	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SWSW	23	16S-25E	1140	S	1220	W	39.39734	-109.12949	6507	4731	Chris
43-019-15894	SAN ARROYO 13	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	C-SW	22	16S-25E	1320	S	1320	W	39.39783	-109.14783	7592	6260	Chris
43-019-15896	SAN ARROYO 16	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	SESW	26	16S-25E	1125	S	1790	W	39.38276	-109.12746	5922	4884	Chris
43-019-15897	SAN ARROYO 17	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25243	GRAND	NENE	24	16S-25E	660	N	940	E	39.40676	-109.09556	5983	5003	Chris
43-019-15898	SAN ARROYO 18	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06023	GRAND	NWNW	30	16S-26E	660	N	990	W	39.39241	-109.09272	5778	4128	Chris
43-019-15899	SAN ARROYO 19	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSE	14	16S-25E	820	S	1610	E	39.41086	-109.12089	6305	5200	Chris
43-019-15885	SAN ARROYO 2	SWEVCO-SABW	Shut-In	Gas Well	1.0000000	0.82500000	-	0.00027708	SAN ARROYO	Federal	Federal	U-0370A	GRAND	SENW	22	16S-25E	2420	N	2430	W	39.40199	-109.14379	7752	6826	Chris
43-019-15900	SAN ARROYO 20	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-071307	GRAND	SENE	26	16S-25E	1360	N	170	E	39.39025	-109.11553	6855	5457	Chris
43-019-15901	SAN ARROYO 21	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0369	GRAND	NWSE	25	16S-25E	2066	S	2340	E	39.3853	-109.1047	5878	4299	Chris
43-019-15902	SAN ARROYO 22	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011A	GRAND	NENE	15	16S-25E	1210	N	990	E	39.41968	-109.13711	6480	5500	Chris
43-019-15903	SAN ARROYO 24	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06188	GRAND	SENW	19	16S-26E	2450	N	1495	W	39.40194	-109.09106	6023	4815	Chris
43-019-15904	SAN ARROYO 25	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25244	GRAND	SWNE	21	16S-25E	1520	N	1805	E	39.40437	-109.15872	7599	5894	Chris
43-019-15905	SAN ARROYO 26	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-25297	GRAND	SWSW	20	16S-26E	660	S	660	W	39.39603	-109.07543	5800	4800	Chris
43-019-15906	SAN ARROYO 27	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-06021	GRAND	NESW	29	16S-26E	1990	S	2100	W	39.3851	-109.07027	5584		Chris
43-019-15907	SAN ARROYO 28	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-5650	GRAND	NWNE	29	16S-26E	660	N	1980	E	39.39225	-109.06591	5690	4260	Chris
43-019-15908	SAN ARROYO 29	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	NENE	22	16S-25E	1300	N	195	E	39.40492	-109.13429	6849	5200	Chris
43-019-15886	SAN ARROYO 3	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0307A	GRAND	SENW	23	16S-25E	1425	N	1450	W	39.40481	-109.12847	6474	5460	Chris
43-019-15909	SAN ARROYO 30	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05650	GRAND	NWSW	21	16S-26E	2600	S	900	W	39.40124	-109.05587	5481	4293	Chris
43-019-30527	SAN ARROYO 31	SWEVCO-SABW	Shut-In	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-0370A	GRAND	NWNW	22	16S-25E	1111	N	913	W	39.40567	-109.14907	7742	6071	Chris
43-019-30528	SAN ARROYO 32	SWEVCO-SABW	Producing	Gas Well	0.9717655	0.80116538	-	0.00252986	SAN ARROYO	Federal	Federal	U-05011B	GRAND	SWSW	14	16S-25E	678	S	370	W	39.41066	-109.13255			



<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		<b>FORM 9</b>																														
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-31928																														
<b>1. TYPE OF WELL</b> Water Injection Well		<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>																														
<b>2. NAME OF OPERATOR:</b> MAR/REG OIL COMPANY		<b>7. UNIT or CA AGREEMENT NAME:</b> TIN CUP MESA																														
<b>3. ADDRESS OF OPERATOR:</b> PO Box 18148 , Reno, NV, 89511		<b>8. WELL NAME and NUMBER:</b> TIN CUP MESA 1-25																														
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1950 FNL 0790 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SWNW Section: 25 Township: 38.0S Range: 25.0E Meridian: S		<b>9. API NUMBER:</b> 43037306900000																														
<b>PHONE NUMBER:</b> 755 852-7444 Ext		<b>9. FIELD and POOL or WILDCAT:</b> TIN CUP MESA																														
<b>COUNTY:</b> SAN JUAN		<b>STATE:</b> UTAH																														
<b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>																																
<b>TYPE OF SUBMISSION</b>  <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 4/30/2014  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<b>TYPE OF ACTION</b>  <table style="width: 100%; border: none;"> <tr> <td><input type="checkbox"/> ACIDIZE</td> <td><input type="checkbox"/> ALTER CASING</td> <td><input type="checkbox"/> CASING REPAIR</td> </tr> <tr> <td><input type="checkbox"/> CHANGE TO PREVIOUS PLANS</td> <td><input type="checkbox"/> CHANGE TUBING</td> <td><input type="checkbox"/> CHANGE WELL NAME</td> </tr> <tr> <td><input type="checkbox"/> CHANGE WELL STATUS</td> <td><input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS</td> <td><input type="checkbox"/> CONVERT WELL TYPE</td> </tr> <tr> <td><input type="checkbox"/> DEEPEN</td> <td><input type="checkbox"/> FRACTURE TREAT</td> <td><input type="checkbox"/> NEW CONSTRUCTION</td> </tr> <tr> <td><input type="checkbox"/> OPERATOR CHANGE</td> <td><input type="checkbox"/> PLUG AND ABANDON</td> <td><input type="checkbox"/> PLUG BACK</td> </tr> <tr> <td><input type="checkbox"/> PRODUCTION START OR RESUME</td> <td><input type="checkbox"/> RECLAMATION OF WELL SITE</td> <td><input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION</td> </tr> <tr> <td><input type="checkbox"/> REPERFORATE CURRENT FORMATION</td> <td><input type="checkbox"/> SIDETRACK TO REPAIR WELL</td> <td><input type="checkbox"/> TEMPORARY ABANDON</td> </tr> <tr> <td><input type="checkbox"/> TUBING REPAIR</td> <td><input type="checkbox"/> VENT OR FLARE</td> <td><input type="checkbox"/> WATER DISPOSAL</td> </tr> <tr> <td><input type="checkbox"/> WATER SHUTOFF</td> <td><input type="checkbox"/> SI TA STATUS EXTENSION</td> <td><input type="checkbox"/> APD EXTENSION</td> </tr> <tr> <td><input type="checkbox"/> WILDCAT WELL DETERMINATION</td> <td><input checked="" type="checkbox"/> OTHER</td> <td>OTHER: <span style="border: 1px solid black; padding: 2px;">Request for Extension</span></td> </tr> </table>		<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <span style="border: 1px solid black; padding: 2px;">Request for Extension</span>
<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR																														
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<b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b> Request an extension to conduct remedial work. Request extension to April 30, 2015. Operator will monitor casing pressure weekly and file pressure report monthly.																																
Approved by the Utah Division of Oil, Gas and Mining  Date: <u>10/31/14</u> By: <u>[Signature]</u>		<b>COPY SENT TO OPERATOR</b> Date: <u>11.3.2014</u> Initials: <u>KS</u>																														
<b>NAME (PLEASE PRINT)</b> Tariq Ahmad		<b>PHONE NUMBER</b> 775 852-7444																														
<b>SIGNATURE</b> N/A		<b>TITLE</b> Petroleum Engineer																														
<b>DATE</b> 10/29/2014																																